



means roller bearings

FINANCIAL TIMES

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* 6p



News Summary

GENERAL

Police swoops: eight charged

Eight men were charged at City Road police station yesterday following police swoops in East London during the past few days. The charges included demanding money with menace and conspiracy to cause bodily harm.

The police raids have been carried out by members of the Flying Squad investigating an alleged series of protection rackets directed against club owners and publicans in London by a gang said to be trying to take over the terror activities of the Kray Twins and the Richardson gang.

Sewell missed

Meanwhile, Britain's most wanted man slipped through police dragnet yesterday. Forty armed detectives raided a farmhouse near Reigate where they believed Frederick Joseph Sewell was living but they missed him, perhaps only by hours. Sewell was wanted for questioning about the murder of the Blackpool police chief after a £50,000 jewel robbery.

Tanzania moves troops to border

Tanzania said last night it had moved troops reinforcements to the Ugandan border following fighting which lasted into yesterday morning. An official statement said Ugandan forces had suffered heavy losses. Four Tanzanians had been killed. Uganda's General Amin flew to the border and reporters in Kampala were shown the body of a man said to be a Chinese General, captured alive on the border.

Vietcong attacks

Part of one of the biggest U.S. ammunition dumps in South Vietnam was blown up and five American bases shelled in what military spokesmen said could be the opening of a major pre-emptive offensive by the Vietcong.

Gelignite may go to Ulster

There are fears that 800 lb. of gelignite and 1,300 detonators stolen from a magazine near Reading yesterday may be on their way to Ulster. Used in small amounts, the haul could flatten large areas of Belfast. Crime use is ruled out in view of the quantity stolen.

U.K. takes over Ghana frigate

Britain has agreed to take over a frigate, originally worth £4.7m, which was ordered by Ghana's deposed President Nkrumah from the present Ghana Government. It could involve Britain in a loss of £3.5m. Its future has not been decided. Britain will consult Ghana's other Western creditors with a view to holding further debt rescheduling talks.

Sir Hugh Greene leaves BBC

Sir Hugh Greene has resigned from the BBC Board of Governors because of increased business commitments. Christopher Chataway, Minister of Posts and Telecommunications, announced.

People and places

Pornography foe Lord Longford "remained unconvinced" after Danish Foreign Ministry officials put forward their case for liberalising pornography laws.

Mr. Manfred Baker, of London, won, with two colleagues, £50,000 in his first pools attempt.

International Commission of Jurists asked Pakistan President Yahya Khan to reconsider holding Awami leader Sheikh Mujib's trial in secret.

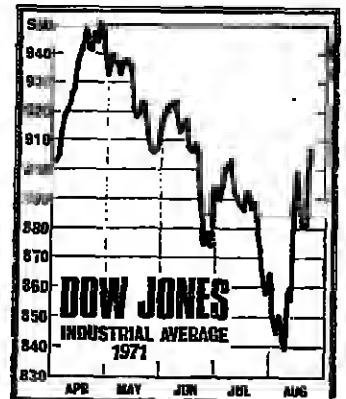
Soviet Communist Party leader Brezhnev will visit Paris in October.

Two brothers aged seven and six and their five-year-old sister were drowned in the sea off the Isle of Wight.

BUSINESS

Wall St. surge slackens

WALL STREET made further sharp gains at the opening—the index was up nearly 9 points



after an hour—but profit-taking later set it and the close saw the index at 903.37, a gain on the day of 4.24.

LONDON EQUITIES were quieter, leaders making a little more headway despite some profit-taking. The index added 1.4 to close at 419.2.

GILTS continued firm. The Government Securities index rose 0.14 to a high for the year of 75.88.

GOLD fell 40c to \$42.90.

STOCK EXCHANGE'S first full examination results, published today, show that of the 434 would-be members who took the paper on Stock Exchange practice only 294 (147 per cent.) passed. Page 15

Caution to shipbuilders

AN IMPLIED WARNING that other shipbuilders will find the same fate as U.S. unless the industry's labour relations system is modernised is contained in a report on the industry published yesterday by the Commission on Industrial Relations. It is still highly critical of many of the attitudes adopted by both employers and unions, although acknowledging that progress has been made since the Geddes report five years ago, and suggests that both sides should join together on joint councils representing all employees. Back Page

ANOTHER 220 UCS employees will receive redundancy notices by the week-end, bringing the total by the end of the month to nearly 400. Meanwhile, industrialist, Archibald Kelly, who has said he will bid for UCS, is to meet Industry Minister Eden today. Back Page

700 backing CBI pledge

OVER 500 COMPANIES have come forward voluntarily to sign the CBI's undertaking to sign price rises under 5 per cent. in the next 12 months. This brings the total number of signatories now to over 700, of which 150 are among Britain's 200 largest concerns. Back Page

NUMBER OF STRIKES in this year's first seven months at 1,364, was half the number in the same period of 1970 but the number of days lost was nearly double at 11.2m, confirming the trend to fewer but longer strikes. Page 13

LARGE LOAF PRICE increase of 1p—equal to 10 per cent.—is expected to be introduced from next week by independent bakers, who supply about 20 per cent. of the market. Page 18

BEA AIRTOURS, the charter subsidiary, made £154,140 in the financial year to March 31. However, chairman Philip Lawson warned that sharp operating cost increases are likely this year. Page 11

Marley third quarter profit is treated at £1.92m (£0.6m) for a nine months' total of £4.84m, higher than the total for either of the two previous full years. Page 17: Lex

CHIEF PRICE CHANGES

(Prices in pence unless otherwise indicated)		
Hitachi 61%, 1979...	125 + 13	
Allied Textile...	82 + 5	
Argyle Securities...	53 + 10	
Automotive Products...	725 + 70	
Brammer (H.)...	175 + 10	
Brown (J.)...	162 + 14	
Burton "A"...	208 + 121	
Camrex...	102 + 15	
Cent & Dist. Props.	175 + 13	
Cronite Foundry...	100 + 17	
Glxco...	412 + 12	
Gunn (A.)...	160 + 18	
Johnson-Richards...	330 + 18	
Kier (J. L.)...	180 + 6	
Kingsley Keith...	45 + 6	
Laporte...	89 + 7	
Metal Box...	400 + 7	
Minster Assets...	50 + 5	
Myson Group...	170 + 5	
Muirhead...	63 + 4	
Odyssey's...	255 + 12	
Philblack...	125 + 12	

Security alert as many injured in Belfast bomb terror

BY ARTHUR SANDLES, Belfast, August 25

Security warnings went out to-night to all businesses and shops in Ulster after the bombing of the Electricity Board headquarters here early to-day. One man died and 35 other people, many of them young office girls, were injured in the explosion.

As the Army's search for further gelling in the province continues, there is a growing fear of Protestant reprisals against the Catholic community. However, the explosion provoked shocked condemnation from Catholic and Protestant leaders alike.

Several of the people injured in the explosion, including a young woman expecting a baby, are still in hospital, some of them in a critical condition. Even after the blast, others were still at risk without knowing it. An unexploded bomb was discovered in the building in an Army search.

Blunder

Immediately Mr. Brian Faulkner, the Ulster Premier, called it a "reckless and callous action".

The Prime of All Ireland, Cardinal Conway said: "I want to condemn in the strongest terms the bomb explosion this morning which resulted in death and injury to innocent people. This and similar activities are repudiated by the overwhelming majority of Catholic people." The tragedy appeared to have been a terrible IRA blunder. So far, the terrorists have avoided deliberate civilian casualties. This time a telephone call from a woman warning the 600 employees at the Board's offices came only two minutes before the explosion.

Office staff were gathering in corridors and making their way out of the building. The explo-

sion caught them in groups as they were leaving with disastrous results. When a senior police officer said the offices looked like an abattoir "he was not exaggerating."

I reached the Electricity Board soon after the blast. Wreckage had hurled girls. Dozens of other office workers left the building with facial cuts from flying glass.

Armies vehicles and civilian ambulances converged on the building as streams of wounded people were led away. There was no clue to the attacker and no one could explain how anyone could have entered the offices with 30 lbs of gelignite without being spotted. There is only one known entrance to the building and officially, anyone entering is checked.

After a night in which four Belfast deputations to Heath Back Page

Dublin moves Page 11

bombs exploded in different parts of Belfast extensively damaging buildings the involvement of 50 innocent civilians in an IRA raid came as a shock to the city.

To-night, the Ulster Government urged all offices and businesses to be extra careful about checking both their property and people entering buildings. Visitors to offices and shoppers in stores may be asked to open bags and parcels for examination. All this happened as Mr. Geof-

frey Johnson Smith, Under-Secretary of State for the Army was expressing the hope that the Army would provide a further "breathing space" for the politicians by the autumn. Deliberately or otherwise, the bomb exploded just as his Press conference was starting out more than a quarter of a mile away.

He went immediately to the scene of the incident. There he denied that security arrangements in Ulster were insufficient. "The Army's security, I believe, is very good," he said. "But there is no foolproof system against anything of this kind. All one can do is steadily break the back of the terrorist organisation. There is no future for them."

Paisley

He did not think that Army activity in the Province had resulted in the stepping-up of IRA activity. "The Army is the life-line, it is the insurance. If the Army left, there would be a blood bath."

However, Mr. Paisley, who probably has a bigger following here than many on the British mainland realise, was one who questioned security arrangements. "It is evident from today's acts of terrorism that Mr. Faulkner's Government has failed to give stability to the province and to protect its loyal citizens." He demanded the recall of the Stormont Parliament.

Both at the scene of the explosion and in the House of Commons. Continued on Back Page

GATT sees no early end to U.S. surcharge

BY REGINALD DALE

GENEVA, August 25.

THE MAJOR trading partners of the U.S., including the U.K. and the Common Market, are now convinced that there can be no quick solution to the world trade and monetary problems created by President Nixon's "new economic policy."

Most of the delegates left today's special meeting of the GATT Council here this evening resigned to the probability that the U.S. 10 per cent. import surcharge is unlikely to be removed for a good time to come, and that the best that can be done in the next month or so will be to try to resist the international pressures that might lead to a major world trade war.

The U.S. delegation said here today that it was totally unable to specify when, or under what conditions, the import surcharge would be removed. But Mr. Nathaniel Samuels, Deputy Under-Secretary of State for Economic Affairs, strongly indicated that it was up to the other major trading nations to take the necessary action to put America's balance of payments right.

The surcharge would not be abolished until there had been a proven change in the U.S. balance of payments situation, Mr. Samuels said. He rejected the common market's suggestion by the developing countries represented here, and said the sure solution to the surcharge problem would be to bring world

monetary and trade relationships into a more stable framework than had existed for the past few years.

For the Common Market, Dr. Ralf Dahrendorf, of the Brussels Commission, said he expected the next step towards solving the crisis to take place in the monetary field.

Although a special GATT working group has been set up to study the legality of the U.S. trade incursions, Dr. Dahrendorf expected the focus to move away from the trade arena in the next few weeks.

Serious efforts

If the Common Market countries could reach a concerted position in the monetary sector, more sweeping discussions might be possible with the U.S. over trade policy, Dr. Dahrendorf said.

The Community would make serious efforts to reach a common point of view by next September.

Dr. Dahrendorf repeated that the Community does not intend to bargain for the surcharge's removal in making concessions to the U.S. in the trade field. Nor had the U.S. made any such demands, he stated.

But the American delegation has made it quite clear here that the surcharge will not be removed until there has been a major change in the competitive position of the U.S.—and that it

is up to the other major trading countries to ensure this by at least realigning their parities against the dollar.

The problem, as the U.K. delegation here has pointed out, is that the other countries will find it difficult to fix realistic new parities while the surcharge is still in force—both because of the distortions in competitiveness it creates and because of the domestic difficulty of enforcing a double penalisation on exporters.

The Common Market and the U.K. want the GATT study group to report by September 20. This, it is felt, will give the IMF sufficient time, following normal GATT procedure, to assess how appropriate the U.S. measures are to deal with the balance of payments deficit.

The emphasis at the meeting here has shifted away from the legal niceties of the U.S. measures under GATT rules, and is now focussing on their effectiveness. Everybody recognises that a genuine problem exists and that it is in the interests of all countries to deal with it as efficiently as possible.

The next move, it was generally agreed here, is now up to the Japanese, who have remained notably reticent during the two-day GATT meeting. But the U.S. will clearly want to know a lot more about the intentions of all its major trading partners before abandoning its present policies.

BSA sells Herbert stake

BY SANDY McLAHLAN

IN A further move to improve its cash position, Birmingham Small Arms has sold its 17 per cent. stake in machine tool makers Alfred Herbert, Ltd. to a consortium of investors.

BSA's financial problems have been much publicised recently, and with the collapse of a possible bid from Dr. Daniel McDonald, BSA started on a policy of selling off some assets to help finance the reorganisation and development of those retained although the possibility of a full bid from another source

has not yet been completely discounted.

Against this background, the move by BSA to sell its Herbert shares, and this has had a dampening effect on the Herbert share price.

The announcement of the sale came well after market hours, but Herbert shares ended the day 1p lower at 55p. The BSA price was also 1p lower on the day at 25p.

See Lex Back Page

But the agreement provided that if they were sold they would become Ordinary shares, ranking pari passu in all respects with the existing Ordinary shares.

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Europe's currencies still firm against \$

By William Keegan

THE MAJOR European currencies strengthened a little against the dollar yesterday following the reported size of the party realignment desired by the International Monetary Fund.

Turnover was again slack, and dealing margins remained relatively wide. The technical factors supporting the dollar earlier in the week have largely disappeared from the market, but the size of the effective dollar movement is less than 3 per cent. against European currencies.

Main target

So far the floating experiment seems to have kept speculation to a minimum. The most target market has developed in London in which the yen has floated upwards by 14 per cent.

The pound yesterday rose by over a cent to close at \$2.4580-85 equivalent to a revaluation of about 2 1/2 per cent. The pound has also edged ground against the D-Mark, the guilder and the lira this week.

The D-Mark closed at DM3.3875 in the dollar, against DM3.3975 on Tuesday. After weakening in unofficial dealings last week the D-Mark is now back to around the level of August 13, with an effective revaluation of 7 1/2 per cent. on the old parity.

In New York the dollar lost further ground, the £ closing at \$2.4675-2.4700.

Belgian francs

The dollar was on its floor against the commercial franc in Paris, as the financial franc again strengthened on Frs.5.381-40 to the dollar, against Frs.5.43 on Tuesday and the official franc against the commercial franc of Frs.5.5125 to the dollar.

In Amsterdam the Dutch central bank announced that it bought 40 to 45m. Belgian francs for gold in support operations to keep the two currencies in line with the margins set up under the joint-float agreement.

THE £ ABROAD

	Close Aug 25	Close Previous
New York (Spot) \$2.4675-2.4700	\$2.4680-85	\$2.4680-85
Do. (1 month) 2.4675-2.4700	2.4680-85	2.4680-85
Do. (3 months) 2.4675-2.4700	2.4680-85	2.4680-85
Do. (6 months) 2.4675-2.4700	2.4680-85	2.4680-85

New Cunard chairman is Mr. Victor Matthews

By Sandy McLachlan

THE TRAFALGAR House Investments' offer for Cunard has narrowly achieved the 75 per cent. acceptance which would bring its takeover full advantage from Cunard's tax position, and has gone unconditional. Yesterday, Mr. Nigel Brookes, Trafalgar's chairman, said he was confident Trafalgar would get sufficient extra acceptance to bring its stake to over 90 per cent., and that it would then be the company's intention to acquire compulsorily the remainder under Section 209 of the Companies Act.

Brookes added that Trafalgar would have gone unconditional even without the 75 per cent., since it had been confident that by doing so it would have brought out extra shares. In the event acceptance plus Trafalgar's own holding totalled 75.7 per cent. These include the shares of Mr. Donald Forrester, the Cunard ex-director, who opposed the bid as too low, and it is believed that Mr. Maxwell Joseph's shares were also assented to the offer.

Smallprice goes

With Trafalgar now in control Sir Basil Smallprice is resigning from the chairmanship of Cunard and is also giving up his directorship. Instead he joins the Board of Trafalgar.

Three other directors, Lord Shackleton, Sir John Wall and Mr. Peter Wrightson are also resigning, and Mr. Philip Shirley is resigning as deputy chairman, but remains on the Board.

The new chairman and chief executive is Mr. Victor Matthews, managing director of Trafalgar, while a second director, Mr. Erte Parker, the finance director, also joins the Board of Cunard.

The Trafalgar cash offer has now closed, but the basic offer and the share election alternative remain open for late acceptances until further notice.

Approximately a quarter of the shares subject to the offer were accepted in the cash alternative. Of the acceptances so far received the split between the three offers was 28 per cent. to the basic offer, 37 per cent. to the share election offer, and 35 per cent. to the cash offer.

WATNEY DEAL POSSIBLE

Grand Met wins the Truman battle

BY KENNETH GOODING

WATNEY MANN last night conceded defeat in the struggle for control of brewers Truman Hanbury Buxton, which, over the past two months, has provided one of the most fascinating battles the City has ever seen.

This leaves the way clear for Mr. Maxwell Joseph's Grand Metropolitan Hotels group to take over Truman and thus become the first "outsider" to move into the brewing industry. And Mr. Joseph could well become a force to be reckoned with in brewing. He maintained last night that Truman was likely to be Grand Met's only major acquisition in the industry, but "we might take over smaller businesses."

Salvage

Watney might still salvage something from the situation for chairman Mr. Michael Webster yesterday afternoon had talks with Mr. Joseph about the possibility of Grand Met supplying substantial quantities of beer to Watney from the new 27m. Truman brewery at Brick Lane, Stepney.

One of the major reasons Watney wanted Truman so desperately was to speed up its rationalisation plans by closing its worn out and expensive Mite End brewery up to five years ahead of schedule by switching production to the new Truman brewery nearby in London's East End.

Mr. Webster described his meeting with Mr. Joseph as "very friendly" and said it was hoped arrangements could be made for the Truman brewery to supply Watney for up to five years. Mr. Joseph maintained he would welcome such a deal and could at the moment see no obstacles to the arrangement. "Certainly Watney needs the beer and we have the spare capacity," he said. Apart from the prospect of having some of its production problems solved, Watney will also reap a gross profit of £2.2m.

by accepting the Grand Met offer in respect of its stake in Truman—estimated at around 38 per cent. However, it also incurred high expenses during the battle. Mr. Webster stated last night that Watney had still to decide what it would do with the Grand Met stock and shares it would receive as a result of accepting the offer—a package worth up to £15m.

The most likely outcome would be for the shares to be placed with institutions friendly to Grand Met.

Grand Met has agreed to extend its offer once again in September 9 so that previous Watney supporters can take advantage of it. The extension includes the right to the additional 15p cash, or of lost stock and the bankers' offer for the Grand Met warrants.

The final price therefore values Truman at about £50m, although because it bought many of its shares at below the present Truman price of 480p (compared with 284p before Mr. Joseph set the auction going on July 1), the final cost to Grand Met will be below that figure.

Hurdle

There is only one more hurdle to take before Mr. Joseph acquires Truman, an enterprise and leisure group which, apart from hotels in London, Europe and the United States, also takes in the Berni Inns-Chief and Brewer steak house chains, the Mecca disco-dancing concern and Express Dairy, one of Britain's largest milk products distributors.

This is clearance by the Department of Trade and Industry whose decision on whether either of the bids for Truman should be referred to the Monopolies Commission has been an unusually long time coming. However, Grand Met is the least likely of the bidders to find its plans put back by a reference to the Commission.

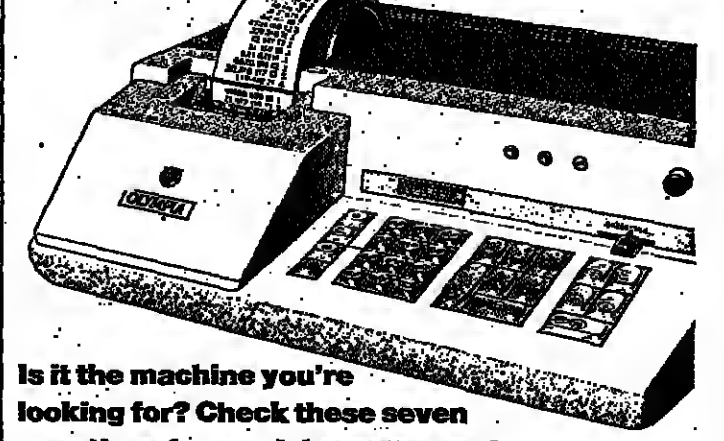
ON OTHER PAGES

AIR CHARTERING

Today's issue contains three pages (19-21) on Air Chartering. Advertising & Marketing 12 & 13 Appointments 10 Arts and Entertainment 10 Books 10 Classified Appointments 10 & 12 Crossword 12 Economic Indicators 9 Export News 6 FT Share Information 26 & 27 International Company News 18

Labour News 10 & 15 Leading Articles 14 Letters to the Editor 2 Lex and Lombard 28 Men and Matters 17 Money 17 Overseas News 5 & 7 Racing 2 SE Dealings and Statistics 24 & 25 Stock Exchange Report 23 The Technical Page 3 Theatres and Cinemas 9 Today's Events 18 TV and Radio 2 Wall St. and Overseas Markets 22

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with additional memory store which simultaneously provides sub-totals? **yes/no**

which embodies the new short-cut calculating technique? **yes/no**

with percentages calculated automatically as they're needed? **yes/no**

with constant values and round-up, both automatic? **yes/no**

that is accurate up to 8 decimal places? **yes/no**

that counts the number of entries automatically? **yes/no**

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We certainly don't expect you to make up your mind on the basis of this advertisement.

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Olympia International

close of business warrants will be posted on the 29th September

July 1971

American News

East-West stock link suggestion

By Jurek Martin

NEW YORK, August 25. THE American Stock Exchange, the second largest in the country, is contemplating a major link with the Pacific Coast Stock Exchange in order to give West Coast investors greater access to the New York market, according to Mr. Paul Kolton, the new president of the AMEX.

It stems from a staff study by the Exchange inquiring into the best ways by which greater integration of the two exchanges' facilities might be achieved. The AMEX has yet to decide which of the various alternative plans it will advance; however, the broad idea of greater East-West co-operation falls more or less into line with the proposals for a single national auction stock market put forward by Mr. William McChesney Martin in his recent report on the securities industry.

It seems unlikely that the AMEX will try to establish a separate trading floor on the West Coast—which would be both an expensive venture and, in certain respects, contrary to the spirit of the Martin Report. More probable is some form of integration of services. This might include an extension of AMEX trading hours to compensate for a three-hour time difference between East and West Coasts.

British envoy still alive

By Hugh O'Shaughnessy

HE FORBIGN and Commonwealth Office yesterday said there was no evidence that Mr. Geoffrey Jackson, British Ambassador to Uruguay who has been in the hands of the Tupamaro guerrilla organisation since January 8, was still alive.

Whitehall evidence is that he is alive and in good health and that every effort is being made in London and Montevideo for his release.

VEST INDIAN FEDERATION

Plans for new political union

By David Lascelles

SIX YEARS after the West Indian Federation collapsed and broke up into an assortment of colonies and associated and independent States, a new move is afoot to form a political group for the region. Earlier this summer Heads of State from most Commonwealth Caribbean countries assembled for secret talks at a luxury hotel outside Georgetown, Guyana. The outcome was the so-called Declaration of Georgetown, which has used a few words though not a word of it has been published. It is not a single person who tended those talks is willing to break the vow of secrecy that was imposed.

Enthusiasm

However, it was announced at the Governments which attended the meeting—St. Kitts, Nevis, Dominica, St. Lucia, St. Vincent, Grenada, Trinidad and Guyana—committed themselves to the idea of political union and agreed, with a few minor exceptions, on procedures to be adopted to achieve it. It was stressed that these procedures would entail close consultation with the people.

INTERNATIONAL FILM TV-FILM AND DOCUMENTARY MARKET

24th CINE-MEETING MILAN 22-30 OCTOBER 1971

2 GRAND AWARDS FOR TV-FILMS

The International Film, TV-film and Documentary Market (MIFED) is an international centre where feature, TV and documentary films are traded on a worldwide scale. Contacts are made there for negotiating agreements in any branch of film production, co-production, financing and the issue of import and export licences.

Its comfortable quarters are provided with all modern facilities and include numerous studios for the projection of cinema and TV films. International telephone, cable, telex and telephoto services are available. Conference rooms and offices. All forms of business and secretarial assistance. Legal and notarial consultants. Medical advice. Dining rooms and bars.

Advance bookings should be made to MIFED by letter or cable before 25 September.

For information and bookings write to: MIFED - Largo Domodossola 1 - 20145 Milano (Italy) - Telegrams: MIFED-Milano-22 495.495 - Telex: 33860 Fieramil
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Delegation in Paris: 90 Champs Elysées - 75 Paris 8^e - Telex: 29642 Incoats
Delegation in Los Angeles: 1900 Avenue of the Stars - 90067 Los Angeles, Cal.
Delegation in Rome: Via del Corso 184 - 00186 Roma

Thieu plans to go ahead with October election

SAIGON, August 25.

PRESIDENT Nguyen Van Thieu told his campaign managers to-day to continue preparations for an October presidential poll, demonstrating his determination to go through with a non-contested election. But American diplomatic pressure for a compromise which would give voters a choice on October 3 continued as U.S. Ambassador Ellsworth Bunker held two meetings with the President in the morning and late afternoon.

A U.S. Embassy spokesman gave no details of the meetings other than to confirm that they took place, but diplomatic sources have spoken of a confrontation between the two men on the election crisis.

Political tension was accentuated by an allied military announcement to-day that they expected a new climax in the Viet Cong and terrorist attacks in the next few days linked with the Lower House parliamentary elections on Sunday. A state of increased military and the highly unpredictable political situation still

has done little to ruffle the calm of the city.

After a speech behind closed doors to his campaign managers, Thieu supporters passed on to waiting journalists the first indication, direct from Mr. Thieu, what his intentions for the election were. The President told his managers to go ahead with their preparations and pointed out that legally there were two candidates' names on the ballot, himself and Vice-President Nguyen Cao Ky.

The Vice-President withdrew from the race on Monday, charging, according to an explanatory letter sent to Ambassador Bunker and released to-day, "that the significance of this election has been damaged beyond remedy by the manipulation of the election process." But Mr. Ky withdrew too late to have his name withdrawn from the ballot, according to Supreme Court officials.

The President, Saigon television reported to-night, will broadcast on the political situation some time after Sunday's election for the Lower House. He is then expected to reject the charges of election fraud made

by Mr. Ky and the third contender, former head of state General Duong Van Minh, to explain their withdrawals.

Mr. Thieu is also understood to have told his campaign managers that the only thing that could interrupt their preparations for the election might be a ruling by the Supreme Court. But he did not spell out what the Supreme Court could or would do to affect the voting or the election date.

The Lower House elections may now turn into a page of opposition feeling about the charges made against the President. With no public refutation of the voting fraud charges from Mr. Thieu before the country's first free election, it is possible that the resignation or suspension of the President or the Vice-President, which has been suggested by the Supreme Court, will be a possibility.

Reuter

U.S. car industry cautious

By Jurek Martin

NEW YORK, August 25.

THE AMERICAN car industry is now becoming increasingly less certain that President Nixon's measures of 10 days ago have given it a marked edge over the imported cars in the U.S. market. In the first blush of enthusiasm the industry (and the stock market) were unanimous that the imports could now be beaten and their share of the market reduced. But now, although most observers remain bullish, a notable air of caution has been introduced.

A perfect example to explain the logic behind these more sober assessments was provided by the decision to-day of Volkswagen to raise the price of its Beetle from \$1,895 to \$1,925. The increase would make the Beetle more expensive than the Pinto and narrow the gap with the General Motors Vega. Given the fact that domestic new car prices have frozen for 30 days to-day, the increase would make the Beetle more expensive than the Pinto and narrow the gap with the General Motors Vega. Given the fact that domestic new car prices have frozen for 30 days to-day, the increase would make the Beetle more expensive than the Pinto and narrow the gap with the General Motors Vega.

The VW decision to-day is just one part of a three-factor equation that must eventually determine the price at which foreign cars are sold in this country. It is significant in a way that VW has elected to make the customer pay for the higher import duty

in full (British Leyland, for example, only put its price up temporarily by 31 per cent. last week while the Japanese have still made no decision on the matter) but it is only part of the overall picture.

The basic Beetle currently carries a sticker price of \$1,895, a car, \$20 less than the Ford Pinto and \$192 less than the General Motors Vega. Given the fact that domestic new car prices have frozen for 30 days to-day, the increase would make the Beetle more expensive than the Pinto and narrow the gap with the General Motors Vega. Given the fact that domestic new car prices have frozen for 30 days to-day, the increase would make the Beetle more expensive than the Pinto and narrow the gap with the General Motors Vega.

However, when Congress repeals the 7 per cent. excise tax on cars, to-day's increase will have been eliminated and will probably leave the Beetle slightly cheaper than before, perhaps selling for about \$1,885. The Pinto and the Vega will, of course, also cost less as a result of the repeal, but at least the VW will be no more expensive than it is now.

The third factor could change all this again. If the D-Mark is effectively revalued against the dollar by a sizeable amount,

then VW may well be forced again to increase its prices. But at the same time the American car companies had announced their intention of putting up their prices by between four and five per cent. The freeze has postponed implementation of this but once the freeze is off (and Detroit is not concealing the fact that it wants to be able to raise its prices again in November) then domestic car prices will go up.

However, much "reasonable" currency revaluation has taken place it is anticipated that the import surcharge will disappear—or at least this is what the Administration is saying. Thus to-day's 31 per cent. increase may well turn out to be the only slightly cheaper than before, perhaps selling for about \$1,885. The Pinto and the Vega will, of course, also cost less as a result of the repeal, but at least the VW will be no more expensive than it is now.

The third factor could change all this again. If the D-Mark is effectively revalued against the dollar by a sizeable amount,

European News

W. Germany welcomes Berlin pact

By Our Own Correspondent

BONN, August 25.

THE WEST German Government and the West Berlin Senate have expressed their approval of the draft agreement on Berlin, concluded by the Four Powers on Monday. Bonn is ready to start negotiations with the East Germans on the question of speeding up the flow of passengers and goods traffic between West Germany and West Berlin—as soon as the agreement has been signed.

After a Cabinet meeting to-day, the Government spokesman, Herr Ables, said the interests of West Germany and West Berlin had been taken care of in the negotiations. The Federal Government, he added, expected from the Berlin agreement—assuming that negotiations with the East Germans were successful—an important contribution to reducing tension in central Europe.

A statement described the agreement reached by the Four Powers as significant progress in this direction. It was encouraging confirmation of the Government's policy of peace and of creating normal relations between countries.

Misgivings

In West Berlin, the Senate decided that the agreement fully served the vital interests of the city.

After a meeting of the Executive Committee of the Parliamentary Opposition party, the Christian Democratic Union and the Christian Social Union, it was admitted that some of the points which had caused misgivings during the negotiations had been satisfactorily cleared up—"thanks to the determination of the Western allies and in spite of the intransigence of the Federal Government."

Reuter adds from Washington: Secretary of State William Rogers conferred to-day with Soviet Ambassador Anatoly Dobrynin on the new four-power agreement on the future of West Berlin and other international issues. Mr. Dobrynin, who is leaving soon for a visit to Moscow, met Mr. Rogers at his own request.

Norway plans workers' say in companies

By Our Own Correspondent

OSLO, August 25.

A RADICAL new scheme to give workers a say in management of privately owned concerns has been announced by the Norwegian Labour Party. Mr. O. Nordli, Minister of Labour and Local Government, said the Government would ask the Storting (Parliament) to approve a change in the laws regulating limited companies so that all companies with over 200 employees would have to create a new body—the "company council"—one-third of whose members would be elected by company employees. The other two-thirds would be elected by the company's shareholders.

Mr. Nordli, who was addressing a meeting of Labour Party and trade union officials preparing for next month's local Government elections, said the "company council" would be empowered to elect the company's Board of directors and would help take decisions concerning changes in working conditions, or major investment plans.

In the case of limited companies with between 50 and 200 employees, the Government would propose a change in the law to give workers in these companies the right to elect from their own ranks at least a third of the members of the Board.

THE ZAGREB FAIR

INTERNATIONAL AUTUMN FAIR

TRADITION

INTERNATIONAL

CHARACTER

BUSINESS

MARKET EFFICIENCY

40 PAVILIONS

60 COUNTRIES

6,500 EXHIBITORS

300,000 EXHIBITS

500,000 SQ. M. OF EXHIBITION SPACE

9-19 September, 1971

FOR INFORMATION concerning participation, visits to the fair and business enquiries apply to: ZAGREB FAIR, ZAGREB, 10000, Yugoslavia. Tel: 01/23-11-11, 01/23-11-12, 01/23-11-13, 01/23-11-14, 01/23-11-15, 01/23-11-16, 01/23-11-17, 01/23-11-18, 01/23-11-19, 01/23-11-20, 01/23-11-21, 01/23-11-22, 01/23-11-23, 01/23-11-24, 01/23-11-25, 01/23-11-26, 01/23-11-27, 01/23-11-28, 01/23-11-29, 01/23-11-30, 01/23-11-31, 01/23-11-32, 01/23-11-33, 01/23-11-34, 01/23-11-35, 01/23-11-36, 01/23-11-37, 01/23-11-38, 01/23-11-39, 01/23-11-40, 01/23-11-41, 01/23-11-42, 01/23-11-43, 01/23-11-44, 01/23-11-45, 01/23-11-46, 01/23-11-47, 01/23-11-48, 01/23-11-49, 01/23-11-50, 01/23-11-51, 01/23-11-52, 01/23-11-53, 01/23-11-54, 01/23-11-55, 01/23-11-56, 01/23-11-57, 01/23-11-58, 01/23-11-59, 01/23-11-60, 01/23-11-61, 01/23-11-62, 01/23-11-63, 01/23-11-64, 01/23-11-65, 01/23-11-66, 01/23-11-67, 01/23-11-68, 01/23-11-69, 01/23-11-70, 01/23-11-71, 01/23-11-72, 01/23-11-73, 01/23-11-74, 01/23-11-75, 01/23-11-76, 01/23-11-77, 01/23-11-78, 01/23-11-79, 01/23-11-80, 01/23-11-81, 01/23-11-82, 01/23-11-83, 01/23-11-84, 01/23-11-85, 01/23-11-86, 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Export News

LICENSING

Dowty pumps to be made in America

DOWTY Hydraulic Units has granted to the Parker Hannifin Corporation of Cleveland, Ohio, one of America's largest producers of hydraulic components—an exclusive distributing and manufacturing licence for Dowty Vardis pumps.

Recent visits to a number of potential end-users of Vardis pumps in America have convinced me that the future demand there, as elsewhere, will more than justify the effort involved in our five-year development programme for the Vardis project and will result in substantial benefits both to Parker Hannifin and Dowty," commented the company's sales director, Mr. J. St. H. Webb.

The pumps were designed and developed by Dowty technical developments, the Dowty Group's research facility, and are now in volume production in Britain.

AVIONICS

Fatigue meters for Luftwaffe Starfighters

BY DAVID CURRY, EXPORTS EDITOR

THE Croydon-based aviation instrument company, Negretti and Zambra (Aviation) has won an order worth nearly £500,000 to supply fatigue meters for the German Air Force's squadrons of about 1,000 Starfighter aircraft. It is part of the modification of the F104G Starfighter in the wake of a series of Starfighter crashes.

The instruments will be fitted in the airframe of every Starfighter to monitor the rate at which its fatigue life is being used up.

The meter has been developed by the company in close co-operation with the Royal Aircraft Establishment at Farnborough. It senses and counts the severity and number of "g" loads—gravitational stresses—produced by air turbulence and manoeuvres during flight.

The cumulation of these loads can cause metal fatigue and structural failure, but by relating the meter's readings to a formula worked out during development testing of the aircraft it is possible to tell how much of the safe fatigue life of each plane has been used.

Previously it has tended to be assumed that all aircraft of a particular type will fatigue at the same rate during a given flying time.

Tactical communications systems worth more than £100,000 are to be installed on Italian Carabinieri helicopters by Marconi-Elliott Avionic Systems, a GEC-Marconi Electronics company.

The Type AD1400 equipment the company claims, provides for the first time in a single system all the short range v.h.f. and long range h.f. communications necessary to keep a pilot in constant touch with both forward positions and base control.

The equipment will be fitted on the Agusta-Bell 203 helicopter, a multi-purpose machine with troop or passenger carrying capacity or for use in a casualty evacuation or tactical support role, and on the 206 which is a light transport machine.

Canada International Airways has ordered a third Fokker Fellowship aircraft bringing sales of the aircraft to 44. The aircraft is powered by two Rolls-Royce Spey jet engines and Short Bros. and Harland are responsible for some of the components, including the outer wings.

Trade with Comecon under EEC

By David Curry

THE Confederation of British Industry is holding a year-in to discuss the Common Market's regulations concerning trade with Eastern Europe.

The EEC has agreed that its commission will negotiate trade agreements with Comecon countries from 1973. Until then the individual states are obliged to consult each other when concluding bilateral trade agreements; all these agreements are due to expire in 1973.

The CBI seminar at its London headquarters on September 10 (which will cost £3) will be addressed by Dr. K. Terfloth, the chief of cabinet of Professor Dahrendorf, the Commissioner for External Relations.

Topics to be covered include the evolution of the EEC's commercial policy towards the Eastern bloc countries; the extent of liberalisation and harmonisation between member states; likely future developments; and the impact on British industry if Britain enters the Common Market.

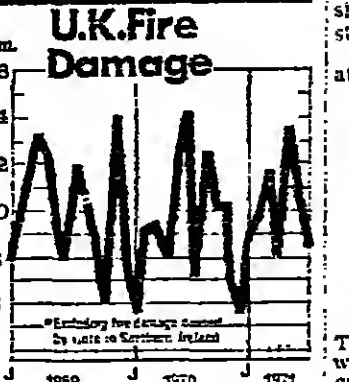
The CBI is limiting attendance to one representative from each company.

July fire damage down at £8.5m.

Financial Times Reporter

ESTIMATED cost of fire damage in the U.K. of £8.5m. last month was below the monthly average for the past three years, despite two fires believed to have cost about £1m. each.

According to information released by the British Insurance Association yesterday, these two large fires were at a



U.K. recovery will continue despite dollar crisis

Financial Times Reporter

THE British economic recovery will go ahead despite the dollar crisis, according to the economic editors of Management Today.

In the September issue, published today, they forecast a balance of payments surplus of at least £500m. this year, a growth rate of 4 per cent. in the final quarter, and an annual rate of 4.5 per cent. next year.

President Nixon's "package" gives grounds for expecting a sharp improvement in the U.S. balance of payments position in 1972, the authors add.

On the U.S. domestic scene, the tax concessions will stimulate the economy to faster growth. Output should rise significantly faster in the rest of 1971, and possibly even as high as 6 per cent. in 1972.

Meanwhile, the wage-price freeze will provide a breathing space in which the Americans can try to work out some mechanism to curb inflation.

Private pension funds investment up

FINANCIAL TIMES REPORTER

TOTAL net investment of private pension funds in the U.K. during 1970 was £348m., an increase of £48m. on the previous year. This compares with an improvement of only £8m. between 1968 and 1969.

The level for 1969 but was still £10m. below the peak recorded the year before. For the second year running there was also a small net investment of £38m. in Preference shares.

According to the Department, overall net investment in company securities during 1970 totalled £219m., or 62.8 per cent. of total net investment compared with 61.3 per cent. in the year before.

Net investment in property unit trust funds was valued at £18m., about one-fifth lower than in 1969—while net investment in land, real property and ground rents at £32m. was £22m. below the high level achieved in 1969.

The Department figures reveal a considerable build-up of cash and short-term assets during 1970 which, together with a fall in short-term liabilities, represented 23.8 per cent. of total net investment, compared with only 21.1 per cent. in 1969.

The estimate of holdings of assets at the end of the year increased by 3.1 per cent. from £4,488m. at the end of 1969 to £4,627m., but this figure was still some £40m. or 1 per cent. lower than the 1968 level. The net disinvestment in public sector securities during 1970 is reflected in the year-end holdings figure which at £675m. was £37m. below the figure for 1969.

U.K. recovery will continue despite dollar crisis

"So far, there is little evidence, apart from the spurt in spending on durables because of easier credit, of any general recovery in the third quarter of 1971."

The authors do not look for a broad-based recovery until October—after the higher old-age pensions are payable. By the fourth quarter, the rate of growth in total output is forecast to be running at about 5 per cent. annually, mainly because of the upturn in consumer spending.

They forecast that consumption will be rising in volume terms at 6 per cent. per annum, and this in 1972, growth of consumption will be 5 per cent.

That such a spectacular rate of growth (for the U.K.) can be contemplated in the short-run is due to the splendid performance.

Slower rise in world shipbuilding orders

BY RAY DAFTER

THE WORLD shipbuilding order book increased by 3.1m. deadweight tons in the May/June quarter, the smallest quarterly increase since May, 1970, according to Fairplay International Shipping Journal's World Ships on Order supplement.

The fall-off in ordering is particularly marked when compared with the increases over the previous four quarters ranging from 9.5m. to 13.1m. tons.

The total volume of orders at July 31 was 3,241 ships, a total of 1.1m. tons, in addition, 540 for which no tonnage information was available.

This is a record tonnage but, as Fairplay points out, not altogether surprising at a time when deliveries have not yet caught up with the flood of new orders placed in the past year or so.

The interesting question is "what the pace of the expansion will be and how acceleration will be timed. The dip in the first quarter of 1971 was severe, though brought on by special factors, such as the strikes."

Better picture

"To this extent the pick-up in the second quarter was due almost entirely to the return to normal working. A better picture of the trend is obtained by taking the first half year as a whole."

The authors estimate that production in this period was down 1 per cent. on the same half of the previous year.

"The prospective recovery must be projected from this depressed level," they add.

THE COMMON MARKET

How to get down to the homework on Europe

IN seventy weeks' time, it is almost certain that we will become part of the Common Market. In that seventy weeks any company intending to make the most of the European opportunity has a great deal of hard thinking and hard work to get through. One thing that is certain is that last minute improvisation has no place in today's economic climate, and that success in Europe will come only from a carefully prepared plan based on thorough knowledge of the needs of the chosen market.

'To break existing distribution rules you have to be big and to spend a lot of money.'

Europe is, of course, a huge multiplicity of different markets. The first step, therefore, is to select the areas most suitable for the detailed study which will isolate the limited number of narrow fronts on which Europe is to be entered. In doing this, it is necessary for the company to examine the kind of market that its products are most likely to satisfy and to specify the likely parameters of such markets. These can be defined in terms of general attributes such as relative affluence; degree of industrialisation; urbanisation; climate and specific requirements imposed, for example, by pre-existing licensing arrangements.

It is then possible to select potential markets which seem to offer a suitable profile. In the case of complex products, especially those of the industrial market, establishing a suitable market profile may be complex.

Another factor to take into account is the existing state of competition. It may not be right to go to the market which offers the best overall potential; every one else will have the same idea. Better at times, therefore, to select a market which appears slightly less attractive, especially if it is still developing.

The market study is an essential stage, and it must be a detailed study in the field. It would have three purposes:

To establish precisely the product and service which is likely to be attractive to the market; To examine and thoroughly understand the methods of distribution available and normally used in the market;

In his second article on the impact of the Common Market on British industry James Lines, chairman of TEAM (Management Consultants) presents a "syllabus" for gearing up a company to take advantage of the wider European market—and to avoid getting lost in it.

To learn about the cultural and social differences to be able to make use of the other findings.

One over-riding rule is for managers to spend time in the market. This means, not just sales managers, but managers at a senior level responsible for every management function, and implies that they will have time to relax, think, breathe the air, absorb the customs, and understand the people. Flying visits are no substitute.

Only when a thorough study has taken place should detailed product design or marketing plans be prepared. Product design or modification can then be to a precise specification and to a defined cost. While the product design is going on, thought can be given to selecting the best route into the market both in terms of physical distribution and methods of communication.

'Most companies are too busy making this year's profit to think about long-term policy.'

Market inroads have often been made by newcomers who broke the existing distribution rules. To do this successfully, however, it is important to be big and to be prepared to spend a lot of money to establish that the new approach is valid. For the small or medium sized manufacturer it is usually better to use existing channels.

If the selected route calls for the use of local distributors or agents, the selection of these is of critical importance and is probably the most neglected facet of overseas operations. By this stage the company will have a clear understanding of the turnover to be achieved in the market. It can, therefore, give its potential agents very clear terms of reference and can set targets for achievement, and will expect that the potential agent has achieved a similar level of performance with a similar product.

Sitting it out in the cold

Financial Times Reporter

A LUTON plastics company is about to dispatch its first export order—over 8,000 spectator seats to the Calgary Stadium in Alberta, Canada.

Pillar Plastics, a member of the RTZ group of companies, was awarded the contract to supply the seats after a director of the Calgary Stadium had seen them at a London football club.

He asked for 20 sample seats to be sent to Canada for testing, and after satisfactory results Pillar closed the deal.

Called Stadium Seats, they have moulded seats and backs in high density polyethylene and are fitted to one-inch-square tubular frames coated in nylon. Pillar is sending 8,200 complete with frames. The seats are coloured red, blue, orange and grey.

They must arrive at the stadium for fixing between the middle of September and the middle of October. After that date 30 degrees of frost is not uncommon and would make installation virtually impossible.

Reflected glory

An order from Singapore for 30 brilliant cut glass mirrors has been received by Reed Milligan of Gateshead, County Durham.

The Victorian style mirrors are for the Cockpit Hotel in Singapore and the designs have been selected from a catalogue issued by the company over 30 years ago.

Some of the mirrors will be fitted around a curved wall at the back of a bar at the hotel. Others will be fixed on square columns, framed in the elaborate woodwork characteristic of the Victorian period.

Plessey lands £1.25m. Danish military deal

PLESSEY has won a £1.25m. order for defence equipment to be supplied to the Danish Armed Forces.

Naval sonar equipment to be supplied will be the Plessey type MS26. This is an all-round looking sonar suitable for installation in small vessels, including escort and patrol craft down to 150 tons displacement.

A complete range of UHF/VHF multi-channel equipments for ship-to-ship and ship-to-air use and for aircraft ground control is also to be provided. The equipments operate in the ranges 100 to 155.975 MHz and 225 to 399.975 MHz and are designed for use in the shipborne environment. AM and FM operation is provided and modulation systems are compatible with voice, automatic teletype and high-speed data signals.

Rents protest by Glasgow Corporation

By Our Own Correspondent

GLASGOW, August 23.

GLASGOW Housing Committee, decided today to make representations to the Secretary for Scotland on the question of municipal rent structure, rent rebates, overspill agreements and future housebuilding programmes.

Councillor Dan Donnelly claimed that the Government White Paper on housing finance would mean excessive rises in council house rents in Glasgow.

On average it would amount to 30p per week each year for the next four years until the city's housing revenue account was balanced. At present the local rates contributed £5.5m. and the exchequer grant was £5m. Mr. Donnelly said it was wrong to ask Glasgow to house tenants facing such heavy rent increases in the present economic climate.

NALGO branch in court move over Market vote

A MOVE by the Leeds branch of the National and Local Government Officers Association to stop the union supporting Common Market entry at next month's TUC conference is to be heard in the High Court on September 2.

Mr. John Rankin, QC, for the union's National Executive Council, told Vacation Court Judge Mr. Justice Brightman yesterday that the case was "yet another forensic salvo in the anti-Common Market field."

It also raised points of domestic importance for the union. Mr. Colin Smith, for the Leeds branch of NALGO, said the branch sought an order cancelling motions passed by the NEC directing a union delegation to vote in a particular way at the conference.

The branch issued its writ only last Friday and the NEC were raising legal points, one involving the status of the union. Certain evidence was also disputed.

Mr. Rankin said the defendants could have their evidence ready in a week.

"GIFTS AND SOUVENIRS"

Exhibition of Handicraft Co-operatives Goods

Bucharest 15th - 25th September, 1971

cordially invites you to visit the exhibition where there will be an exhibition of a wide and new range of folk art items made out of textiles, wood, wrought iron, knotted carpets of oriental type, Romanian carpets, various household articles, Christmas-tree decorations, etc. We are waiting for your visit in the new pavilion of Handicraft Co-operatives in Bucharest-Scinteia Square.

For any information please apply to ICECOOP-Import-Export-Bucharest, 12 Marin Sarghiescu St. tel.: 460-469 telephone: 12.10.69; Cable: ICECOOP BUCHAREST-Romania.

LRC INTERNATIONAL LIMITED

Chairman's Abridged Statement Year Ended 31st March, 1971

- * Record Profits of £4,191,000, an increase of £1,181,000 on last year. Internal growth accounting for £658,000. Acquisitions contributing £523,000.
- * Dividend raised to 40 per cent (37½ per cent in 1970).
- * Record Group Sales of £47 million. 34 per cent up on last year.
- * Record Exports by U.K. Companies of £5,121,000. 57 per cent up on last year.
- * Record Sales and Profits by overseas Companies.
- * Major acquisition of Haffenden-Richborough in May, 1971 extending our interests in diversified rubber products.
- * Expectations that the new drug therapy for prostatic hyperplasia will be marketed in the U.K. in the next financial year.

Copies of the Annual Report and Accounts and the Chairman's Statement can be obtained from the Registered Office: North Circular Road, Chingford, London E4 8QA.

Have you tried the double-barrelled scotch?

The first barrel. Imagine thirty or more classic straight whiskies each maturing in oaken casks. Then, when they've reached their individual peak, imagine them blended together. Most people would be satisfied at this stage. But not Cutty Sark.

The second barrel. They put the scotch back into the wood to let the malts mingle, marry and mature together for at least another year and a half. Growing in subtlety and character until a flavour emerges that is undoubtedly greater than the sum of its parts.

Cutty Sark
Double-barrelled to mature the malts.

Other Overseas News

IN BRIEF

MANILA — Bomb-throwers back again after President Ferdinand Marcos said he might declare martial law to beat terrorism. Police said unidentified persons tossed explosives, believed to be dynamite, at the residences of Senator Jose P. Romualdez and Representative Eduardo Cojuangco in Quezon City.

CEYLON is to receive an Asian Development Bank loan amounting to \$3.5m. for a communications satellite earth station project, the bank's first loan in the field of telecommunications.

GENEVA — The International Council of Jurists welcomed the appointment of a defence counsel for East Bengal leader Sheikh Mujibur Rahman, but asked that the trial be held in public.

ISRAEL'S output from oil-wells in the Sinai which have been worked since the six-day war will reach \$m. this year (worth roughly \$80m.). The fields which were opened up by a partnership of the Egyptian Government and ENI are at present being operated by an Israeli governmental company "Oil Lines."

NEW DELHI — The United States Ambassador to India denied plans to transfer U.S. troops from Vietnam to East Pakistan or that U.S. jets were being used to ferry Pakistani troops from West to East.

BANGKOK — Government forces were reported to-day to be preparing to attack a major guerrilla base in southern Thailand after capturing an outpost. Police sources here said that four companies of troops and police occupied the outpost on the Kwang mountain range in Surat Thani province, about 585 miles from Bangkok.

PAKISTAN has furnished to China a list of projects to be financed out of \$200m. Chinese can offered in November last year. A Chinese team has visited Pakistan for study and investigations. Thirty-three per cent. of the aid was a commodity loan under which three coasters recently arrived in East Pakistan. China will also supply 100,000 tons of rice.

AUSTRALIA'S Ambassador in Moscow, Mr. F. J. Blakeney, is to make an official visit to Mongolia, the first by a representative of the Australian Government.

Amin flies to scene of alleged border fight

BY OUR OWN CORRESPONDENT

KAMPALA, August 25.

PRESIDENT Idi Amin of Uganda's Cabinet held a special meeting here to-day to study the situation, after which General Amin left for the border. He said there was no need for alarm and the situation was under control. Fire across the border is understood to have continued for several hours but it is not known whether there were close battles between the troops.

Bridget Bloom, Africa Correspondent, adds:

Reports of the incident emanating from the two capitals remained conflicting to-night. There now seems little doubt that fighting of some sort has taken place, and it has been confirmed from both Dar es Salaam and Kampala that it was sparked off when four Ugandan soldiers (unarmed according to the Ugandans, probably armed and certainly violating Tanzanian territory, according to the Tanzanians) clashed with a group of Tanzanians.

But reports that Ugandan troops, reinforced by detachments from the two major barracks of Masaka and Mbarara in south-east Uganda, had penetrated several miles inside Tanzania with tanks and heavy artillery could not be confirmed. Neither could reports that Chinese personnel had been involved on the Tanzanian side. Tanzania has categorically denied this.

It should be emphasised that in spite of the disagreements between the two countries, stemming from President Nyerere's refusal formally to recognise Gen. Amin's takeover, there is no casus belli.

Until it is proved to the contrary it remains a strong possibility that the Ugandan authorities have blown up the scale of the fighting in Mutukula for domestic political reasons.

Cairo reaffirms UN attitude

BY OUR OWN CORRESPONDENT

CAIRO, August 25.

EGYPT still adheres to President Anwar Sadat's February initiative to negotiate a partial settlement of the Middle East crisis, the official spokesman Fakhri Sayid said last night. He added that Egypt was still seeking the implementation of the 1967 Security Council resolution, calling for Israeli withdrawal from occupied Arab territory.

The spokesman was replying to a comment by U.S. State Department Robert McCloskey, labelling as "unfortunate" the Damascus declaration by President Sadat, Assad of Syria and Khedafi of Libya, which rejected the principle of negotiations with Israel.

Mr. Sayid said Mr. McCloskey had equated the position of an aggressor who declares his intention of annexing land and continuing to occupy it with that of the Arab states whose land is occupied and who refuse to negotiate with the occupier. Such an equation was unjust, Israel's attitude was one of aggression, while the Arab stand was an affirmation of their sovereignty in accordance with the UN Charter.

Mr. Sayid's statement was also an implicit reply to the remark by Israeli Foreign Minister Abba Eban that the signing of the Confederation constitution in Damascus showed that Egypt was no longer interested in resolving the Middle East crisis on the basis of the Security Council resolution.

Meanwhile, Cairo continues to prepare its diplomatic offensive to isolate Israel and the U.S. at next month's session of the UN. Egypt's envoys to the UN, Washington and Moscow have been

having lengthy talks over the past 10 days with Foreign Minister Mahmoud Riad and the Ministry policy planning team. They will report to President Sadat before the end of the month their recommendations for the campaign.

Foreign Affairs Minister of State Mohamed Hafez Ismail is on the first leg of a three-week tour to the Nordic countries and France to drum up support for

Egypt's stand. State Minister for Cabinet Affairs Ahmed Megud has just returned from Kinshasa, where the ten-man committee of African heads of state is meeting to discuss the Middle East issue. UN envoy, Mohamed al Zayyat, is expected to return to New York for the Security Council meeting on the situation in Jerusalem, scheduled for September 2. The meeting was requested by Jordan.

Treason trial adjourned

BY OUR OWN CORRESPONDENT

CAIRO, August 25.

THE Egyptian treason trial was adjourned until September 4 after the former Vice-President Ali Sabri and 11 other key defendants to-day rejected the charges laid against them of plotting to overthrow the Government of President Sadat. They also refused to acknowledge the competence of the revolutionary court established to try them.

In front of TV cameras, a brief uproar broke out at to-day's opening session, when prosecutor Mustafa Abu Zaid started a lecture on the differences between revolutionary and civil courts, after defence counsel had argued that the 1967 Act on revolutionary courts did not cover the present case.

People's Assembly speaker Hafez Radawi, presiding with two other judges, interrupted to postpone the trial to give defence counsel time to study the dossiers they received only yesterday. He also gave them

five days in which to submit petitions against the competence of the court.

It had been announced previously that all 91 defendants would be present for the first session of the court, but it has evidently been decided to deal first with the alleged chief co-conspirators. In the dock with Sabri were former Interior Minister Shariar Goma, former Presidential Affairs Minister Samy Shara, former Information Minister Mohamed Fayek, former Housing Minister Saad Zayegh, former Transport Minister Ali al Abdin Saleh, former Power Minister Helmi el Said, former People's Assembly Speaker Labib Shukair, former ASU Secretary General Mohamed Abul Nur, former ASU Secretary for Gaza Governorate Farid Bassuni, a former member of the ASU higher executive dia eddin daoud, and former intelligence chief Ahmed Kamel.

ZAMBIA

Discontent becomes open

BY A SPECIAL CORRESPONDENT

LUSAKA, August 25.

THE DECISION of Simon Kapwepwe, a former Vice-President, to resign from the Zambia Cabinet to form a new party in opposition to President Kenneth Kaunda has brought into the open the discontent which has been smouldering under the surface of Zambian political life for many months. The party's formation at the week-end is now linked with the existing opposition, the African National Congress—follows moods of rumours, is widely viewed as a threat to the country's future political stability.

Plagued

In a sense, Mr. Kapwepwe's move did not come as a surprise. Zambia has a long history of party political squabbles and some eruption in the governing United National Independence Party (UNIP) was expected at its Mulungushi conference in May. At that stage, as things turned out, the party's leadership closed ranks, displaying an apparently united front to the assembled delegates and public. But last week-end's announcement proved that the conflicts within UNIP, which have plagued it since a disastrous conference in 1967, could no longer be contained.

The present breakdown must be seen much more in terms of a struggle for leadership rather than as an ideological conflict. But the division is also partly along tribal lines, for although the former Vice-President has insisted that the new United Progressive Party is national rather than tribal, he is, like the party's declared supporters, a Bemba from the north.

The Bemba form roughly 9 per cent. of Zambia's total population, the largest single group of the country's many tribes. With subtribes from the same area and with a virtual monopoly of jobs on the volatile Copperbelt, the Bemba had a commanding position in the early, pre-independence days of UNIP but a widespread feeling among the Bemba group that its full fruits of independence in terms of jobs and patronage has been a constant theme of Zambian politics.

Bemba dissatisfaction has surfaced once or twice in the past seven years. Almost exactly two years ago, for example, Mr. Kapwepwe partly under pressure from the north, resigned the Vice-Presidency but was finally persuaded by President Kaunda to rejoin the Government. President Kaunda then displayed what has been his strength since independence: an ability to maintain a delicate power balance between Zambian interest groups by a judicious and intricate manoeuvring of the Government and the civil men and jobs between the party service. But this time the split has proved too wide.

It would be wrong to suggest that Zambia's current crisis has a purely tribal base. There are many other reasons for the general mood of discontent which exists to-day in Zambia, and while those who form the new party have been partly responsible (a fact which may deter potential supporters) they have not been alone to point to the present Government's faults.

Depressed

So far the UPP has not produced anything which resembles a coherent alternative policy to President Kaunda (another point against it) but its criticisms range from the Government's failure to boost agriculture to its policy towards South Africa. The formation of the UPP comes at a time when copper prices are depressed, and UPP comes at a time when copper prices are depressed, and Zambia still depends, in spite of attempts at diversification, for more than 90 per cent. of its foreign exchange earnings on that commodity. Reserves have been drawn down and the Government, badly advised, has shown few signs of enforcing much needed austerity. The economic reforms, including the nationalisation of the mines which gathered radical support for President Kaunda two years ago, have been slow to take effect and have anyway done little or nothing to raise standards of living.

The economic situation has not been helped by President Kaunda's determination to cut

links with Rhodesia and his policy towards the White South in general, which shows inevitable inconsistencies, has come under heavy attack. The recent decision to import maize from Rhodesia (undertaken mainly to save foreign exchange but necessary because of the failure of agricultural and trade policies to come under fire from the radicals, while important numbers of educated people condemn the stated policy of disengagement from the south as unnecessarily costly and idealistic).

There are then plenty of grounds for dissatisfaction, and to these must be added the increasing uncertainty and the growing inefficiency in the civil service which has partly resulted from the President's continual reshuffles of Government and official posts. But how serious is the threat to President Kaunda from the new party, with its links with the opposition?

A good many people who believe that Mr. Kapwepwe (who it is suggested may have been pushed into forming the party by more extreme politicians who saw in this a last chance to seize the initiative) has weakened his chance of support by allying himself with the ANC, whose basis of support is in Barotseland, traditionally hostile to the Bemba. Certainly Harry Nkumbula, the ANC leader, and Mr. Kapwepwe are strange bedfellows. Mr. Kapwepwe has always been considered a radical in Zambian politics. Nkumbula, on the other hand, is considered in Zambian terms a conservative who believes, for example, in the policy of dialogue with the White South.

Better

For the time being, all the protagonists are adamant in proclaiming their desire to avoid such an outcome. And if the crisis does resolve itself peacefully, Zambia could well be the better for it. There is some evidence to suggest that President Kaunda himself is relieved that the break has come at last, and there are certainly many within UNIP's ranks who hope that he will use the occasion to clean the party fully of its dead wood and attempt to give it a new direction. There are many, too, who would like to see, after the impotence of the ANC, a full-blooded opposition to keep the Government up to scratch.

Temptation

While this view of the divisions between the two men is tempered by the suggestion that Kapwepwe, essentially a pragmatist, might be prepared to be more flexible towards South Africa (interestingly the South Africans seem to believe this), the years of hostility between the two men could well in the end be decisive.

Mr. Kapwepwe however is a serious figure in Zambian politics, and the Government for this reason, if no other, cannot suc-

Chinese party groups

HONG KONG, August 25.

CHINA'S massive task of Communist Party reconstruction following the Cultural Revolution is now nearer completion with formation of new party committees for Tibet and Szechwan province.

The 505 delegates to the Tibet congress in Lhasa elected Mr. Jen Jung, a political commissar of the Tibet military region of the Chinese People's Liberation Army,

Army, as first secretary of the committee, the agency said. Mr. Jen told the congress that the situation in Tibet had improved over the past two decades. But he indicated there was still support for the Dalai Lama.

The Chengdu congress in Szechwan elected as its first secretary Mr. Chang Kuo-hua, political commissar in the

New attack on Peking

MOSCOW, August 25.

AIDED by a "differential approach," Peking is trying to shake up the Socialist community and pull some countries under against the Soviet Union, Izvestia said in an article headlined "the unwise course."

"Differential approach" was an apparent reference to Romania and Yugoslavia.

"With the help of a differential approach, the Chinese leaders try to shake up the Socialist community and pull some countries to their platform and turn the countries of Asia and Africa against the Soviet Union," Izvestia said in an article headlined "the unwise course."

It added that Peking was "playing on the contradictions between the Socialist countries" to win economic assistance from the Imperialist powers of the West and Japan.

There's a lot to be said for owning four different cars.



A luxury car
Sunday Telegraph—
Courtenay Edwards
"It is a luxury car as well as being one of the sturdiest and most versatile cross-country runners in the history of motoring"
Autosport—John Bolster
"One would not hesitate to use this vehicle for the smartest evening functions"
Observer—Gordon Wilkins
"I thought the seats outstandingly comfortable"



An estate car
Observer—Gordon Wilkins
"It must swiftly become the prestige vehicle for towing caravans, horse boxes and cabin cruisers and will be equally suitable for long, fast holiday trips with heavy luggage"
Practical Caravan
"Three people sitting on the rear seat would have more than enough space and it is not impossible to seat four. The rear seats fold down to give a fabulously large luggage deck and almost 60 cubic feet of loading area"



A cross-country car
Autosport—John Bolster
"By far the most impressive feature is the suspension. In spite of having beam axles at both ends, the Range Rover is entirely free from pitching and there is no sharp up and down movement"
Illustrated London News—
Stuart Marshall
"The springs and the self-levelling device annihilate ridges, hollows and rocky outcrops"



A performance car
Autocar
"Equally impressive is the acceleration, and the Range Rover gives a smart step-off in traffic, which belies its size and makes it often the quickest car away from the lights"
Motor Sport—William Boddy
"Its cornering is such that journey times and the enjoyment derived equal those of a good, normal fast car"

Range Rover. Four cars under one roof.



The Rover Company Limited, Solihull, Warwickshire.

BY C. P. SNOW

BY BRIDGET BLOOM

Petroleum in Nigeria by L. H. Schatzl. Published for the Nigerian Institute of Social and Economic Research by OUP (1969). 257 pages

That year was seminal to what came later, and both Oyionbo and Kirk-Greene make the point that this was the year when, as the latter puts it, "what was true or false was no longer in question. The fact that the assertions [by one side or the other] were believed as truth and were acted upon." Oyionbo (the name in Yoruba means white man and the author writes pseudonymously less, one would think, than the name of a Nigerian with whom he served for nearly 20 years than that of his present masters), relates the story of the war itself largely from a Federalist standpoint. He is not uncritical; he chides the "unimaginative" civil servants for their failure to grasp the initiative to bring real reforms after the first coup, for

BY DAVID PRYCE-JONES

Shooting the

BY JOHN RAYMOND

married Don Pedro Suarez, a Bolivian gentleman of much diplomatic and commercial skill and gallant attractions, in the 1890s. Together they crossed the Andes by mule-back and faced the hardships of the South American jungle where no white woman had been, shooting the Amazonian natives in pursuit of their canoe. It all seems like a leaf taken from Graham Greene's travels with his aunt, with Tirkhankian detail added and a flourish of Colette's style. It is, in fact, a striking ride back into family splendors and miseries, with Mr. Bunt himself and his staid Western friends and rich father for Aunt Pedro's taller stories.

There is also something more—

Two other books on Nigeria deserve mention. Oil did not pay for the war, but it is making all the difference to pay for reconstruction and development. Unfortunately even Scott Pearson's book, the most recent, is not recent enough to include last April-May's settlement with the oil companies which raised the post price by some 30 cents a barrel. The book is likely to increase total government revenue this year by around £100m. Inevitably, too, Scott Pearson and Schatzl overlap, but at last we are some way to having Nigeria's vital oil industry properly documented.

At Christmas 1912 she accepted, and began a love-affair which was on her side utterly devoted, and as self-abetting as a love-affair can be. She got much joy from it, for he generously loved her and was one of the most enchanting of men. She got much suffering. "What hurt most was the knowledge that he was not going to stay in the background while the public was told about the happy simplicity of Lloyd George's domestic life. It was sometimes pretty near intolerable not to be beside him in the world's eye; the strains of a clandestine affair were harsh; it wasn't enough to be his love, his adviser, his only confidential friend. She was all those things.

She was very shrewd, soon learned about politics, had steady judgment of people. She was the only person he trusted; for Lloyd George, like many outgoing and apparently spontaneous men, was deeply secretive and had no male friends at all.

Other men wanted to marry Miss Stevenson. Sometimes the price she was paying seemed too heavy, and she thought of breaking away. But, when it came to the point, she couldn't leave

has edited it with professional skill, and added some characteristic notes, tart and authoritative, of his own. One wishes there were rather more; and one wishes that he would tell us how a historian uses source-material like this diary. Fairly often, Miss Stevenson reports Lloyd George giving her accounts of conversations, during the in-

dinary will help. I suspect that future historians will become increasingly more interested—so far as this country's record is concerned—in the First World War as opposed to the Second. Simply because England was functioning, owing to the fluke of the 19th century, for the last time as the greatest power in the world. I also suspect that

"We went down to Walton H. on Saturday afternoon (April 2) and had a perfect week-end. I think I have never enjoyed each other so much." D. says that ours is a love that comes to very few people, and I wonder more and more of it because of the happiness of it is a thing nothing but death can harm, and even death has no horrors for me now, for D. asked me to die with him, and I became with him when he went. He begged me not to stay behind, but for both of us to go together, and I promised to do it. I told him I had no dread of his to claim me. So I'm not afraid now of the misery if D. is taken away, for then I shall go with him, and his love will be mine, and until then everything is happiness, if our love stays." That pitch of rapture could not be maintained. They had another 28 years to live together. Some-

How will the floating pound affect trade? What has been the previous experience of Britain and other countries with floating currencies? What is the case for compromise systems? Where do gold, the dollar and the E.E.C. fit in?

A simple question-and-answer guide to such topics is given in this book, which successfully predicted the U.S. gold embargo and subsequent resort to floating rates.

MACMILLAN £2

Penrith and The Border, added: "Therefore they are all quite clearly committed to regional policies and they all have regional problems of their own."

Mr. Whitelaw said he would have regarded it as a "most worrying development" if, as

discussions were going on in the Community about a common regional policy. The Government had the fullest confidence in its ability to pursue effective regional policies for all the regions.

BY SHEILA BLACK

A spokesman said yesterday that 75 years of experience "would now be added to the youthful dynamism of this enterprising company (Interfigit)." The move had been made because retailers and shoppers were likely to carry illustrations or pins, with detailed prices, so the service can be used from home. Colour catalogues will be sent to embassies and hospitals.

The ultimate object is to make Interfigit an international organisation.

U.K. ECONOMIC INDICATORS

		1971				1970			
		May	Apr.	Jan.	May	May	Jan.	May	
Raw wools\$	m. kilos	13.1	12.2	12.5	12.5	12.8			
Petroleum†	m. tons	6.65	7.82	8.11	6.58	7.94			
Raw cotton (weekly av.)\$	'000 tons	3.10	2.59	3.12	3.87	3.47			
Textiles (orders on hand)**	Dec. '62=100	124	122	121	132	113			
Electric cookers†	'000s	83.7	76.3	77.7	61.7	63.6			
Washing machns.†	'000s	51.3	50.3	58.8	48.6	55.1			
		1971				1970			
		Year							
		2nd qtr.	1st qtr.	to date	2nd qtr.	Year	Year	Year	
Factory approvals	m. sq. ft.	14.9	18.2	33.1	23.6	88.4			
Consumer spending**	\$m.	5,940	5,813	11,753	5,819	23,342			
	1963 values	1971	1970	1969					
		1st qtr.	4th qtr.	1st qtr.	Year	Year	Year	Year	
Machine toolst ...	\$m.	55.0	30.0	50.5	198.7	171.9			
Building and civil engineering* ...	\$m.	1,238	1,283	1,112	4,971	4,697			
		1970				1969			
		4th qtr.	3rd qtr.	Year	4th qtr.	Year			
Plastics*	'000 tons	375.3	396.7	1,463.1	384.7	1,523.0			
Production. † Deliveries. ‡ Net sales. § Consumption. ¶ Great Britain. ** seasonally adjusted. ** Seasonally adjusted. †† All non-food manufacturing industries. ‡‡ Excluding car radios.									

* NOTE—Foreign trade figures are seasonally adjusted.

The point is, the point is th

More's the pity, then, that he has wasted his talent on this latest little effort, an exercise in revenge for the scratching of his face by Miss Kate Millett in the "Fanny Hill" method, which is unworthy his talent, and long fingernails of his own. Now it is possibly true that Miss Millett, whose work on behalf of women's liberation was more elegant although less witty than that of the "Fanny Hill" author (the "Female Eunuch"), was unfair to the writers she chose as objects of her thesis. Mr. Mailer certainly goes to great lengths to prove that this is so, which is perhaps explained by the fact that he himself was most adversely attacked.

Now, I realise that every age must have its obsessions, some of which seem to be of great importance at the time. It is perhaps understandable that the more grotesque aspects of the situation of women have come to the attention of our better writers. But there can be no doubt that in Western society really must adjust its attitude to women, especially in the economic sense, if justice is to be done. But the petty obsessions expressed by the middle class in the book are simply no worth wasting paper on: for my part they lead me to long for an age when we could dispute something that by comparison is really important—the number of angels, say, that could stand on the head of a pin.

Fiction
Boarders and residents

BY ISABEL QUIGLY

On the old, Elizabeth Taylor is not her accurate, companionate mother, and at the same time light and often funny. Mrs. Palfrey is one of those rather blood-thirsty old widows, who sometimes, wearing evening dress looked like some famous emperal in drag", with an imperial background and happy marriage behind her, and now everything left but a hearty laughter in Scotland and a neglectful grandson at the Brompton Museum. At the Claremont Hotel in the Cromwell Road

and wonder, volunteers for
France. At school he is whisked
into a new world of harsh
rebellion by a master whose
laughter he falls in love with:
the saviours of the title, exotic
creatures who would be totally
out of place in the lyrical future
Christians dream of. This is a
series of pieces of historical recon-
struction; a lost world is con-
structed without the least hint of
self-consciousness or local colour.
In a style like that of the water-
colour on the jacket—suggestive,
dream-seeming, fluid. The method

Man-made fibres*	m. lbs	J
Cars*	'000s	10
Comm. vehicles*	'000s	17
Houses compl'd	'000s	49
Cement (weekly average)*	'000 tons	2
Bricks*	millions	
Carling turnover	1964=100	
Tr. tr. turnover	1967=100	
Ho.ldr.*	1963=100**	
Furniture*	1963=100	
Engin. and Elec. (orders on hand)	Dec.'63=100	
Made-up clothing		

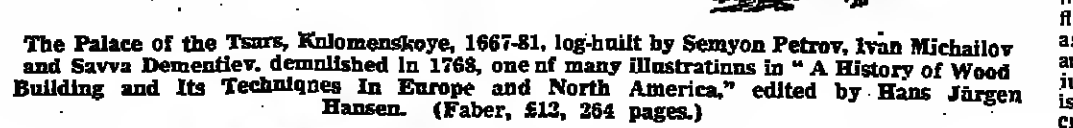
	Jan- June	June June	Jan- June
350	378	332	365
565	543	533	526
146	150	146	145
153	151	144	133
143	185	149	147
1118	133	133	124
117	118	119	122
			120

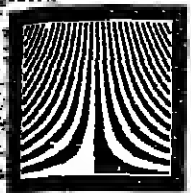
married Don Pedro Suarez, a Bolivian gentleman of much diplomatic and commercial skill and gallant attractions, in the 1890s. Together they crossed the Andes by mule-back and faced the hardships of the South American jungle where no white woman had been, shooting the Amazonian natives in pursuit of their canoe. It all seems like a leaf taken from Graham Greene's travels with his aunt, with Tirkhankian detail added and a flourish of Colette's style. It is, in fact, a striking ride back into family splendor and miseries, with Mr. Bunt himself and his staid Western friends and rich for Aunt Pedro and her taller stories.

There is also something more—

though the ambivalent tone in which the author presents his material leaves the reader uncertain of just how many notes he is attempting to strike. For Aunt Jessie, after the whirlwind has blown over, lost her husband and her money, the only way out of depression, the discovery that in Malabar, in-fighting within Don Pedro's family and his own faithless desertion of Jessie, all conspired to leave her, in the last years of her life, a poor relation in a flat in Malda Vale—alone with her memories and neglected by the Club, the one she had adopted. Yet throughout she held her head, her courage, her gaiety, her bravura and her abundant flow of anecdote. This memoir, seemingly such fun and told with such brio, is really a tale with a powerful moral attached.

Those who enjoy Mr. Baaton's style will find it all in their imaginations gluted with the pleasures of life in every form—clothes, jewellery, estates, opera and splurges of Paris hats.

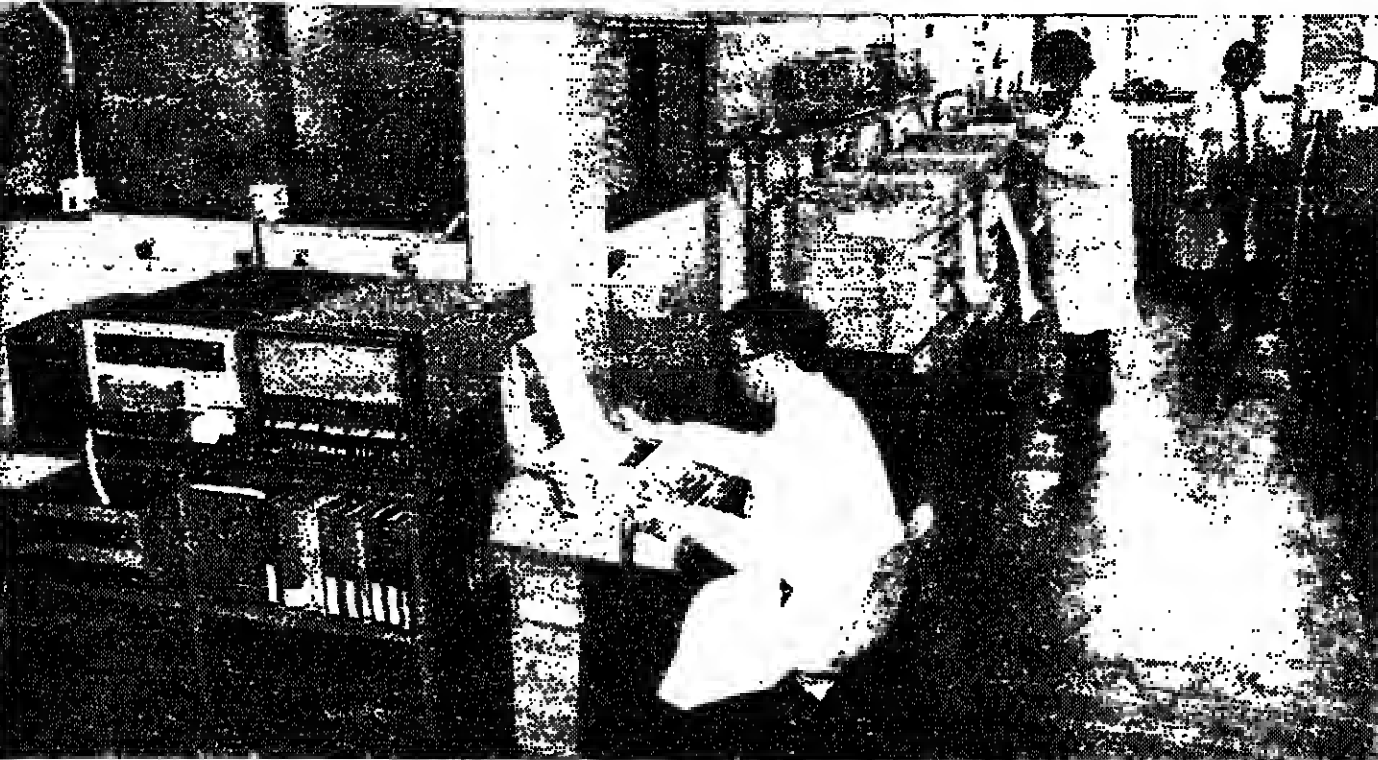




The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

DATA PROCESSING



Collects data on cassette

A DESK-TOP data capture machine at which an operator using a keyboard transcribes source data direct on to magnetic tape in cassettes is to be put on the market by Rank ENM of 1 Fitzroy Square, London W1P 6DS.

Known as the Enscraper, its purpose is to capture data as near to the source as possible using staff most concerned with its validity. More rapid, accurate flow of input data to computers should result from its use, says Rank, adding that the machine is simple to operate, with a full range of programmable facilities for checking the data on input. It can be used remotely.

The machine uses half-inch magnetic tape and a cassette can store 85,000 characters—about one day's work for an operator. The keyboard is in typewriter format except that the numerical characters are in a separate cluster, and there is a 15 character display to show the operator what has been keyed. Rank says that this is a fundamental aspect on which the design is based, since it is estimated that 85 per cent of the errors made by operators are conscious ones. By using the display and a control key an operator can prevent errors going on to the tape.

The machine can vet and validate data and control the length of a field of information. It has considerable organisational power based on a logic unit which has two main areas. The executive programs are kept in a read-only memory, and there is a user program area in which the user defines the checks that are to be incorporated on the data.

Scottish units on display

UNIVAC will feature Scottish-built data preparation equipment at three exhibitions this autumn. These are LEAP (Corn Exchange, Brighton, September 27-30), COMPEC (Seymour Hall, London, September 28-30) and the Business Efficiency Exhibition (Grand Hall, Olympia, October 5-13).

The 1701 VP (Verifying Punch) and the 1710 VIP (Verifying Interpreting Punch) are being manufactured at Univac's first facility in Britain at Livingston, Scotland. Giving an increased throughput in card

punching and verifying of between 20 and 40 per cent, depending on the application, both machines feature a built-in core store and a switch which achieves immediate transfer from punching to verifying or interpreting. Two full programs can be stored in core and a complete set of all data punched on one card can be retained. Correction is done by back-spacing and overwriting in memory, and as no punching occurs until the last programmed column of any card is completed, the problem of error cards during punching is eliminated.

Verification takes place by reading each card photo-electrically, retaining the image in core store and checking against this image. Error cards are separated automatically into a select stocker.

Elimination of re-punching and re-verifying procedures, the ease with which functions can be changed and the simple error correction method are three benefits of this Univac equipment.

Calculates the dividends

TO REDUCE the cost of producing year-end share portfolio statements and calculating dividends, Honeywell Information Systems, Great West Road, Brentford, Middlesex, has developed a computer program for accountants, stockbrokers and tax consultants.

The program—called Dividend—runs on Honeywell's Mark 11/Network time-sharing service, and the broker or accountant needs only to install in his office a small computer terminal, consisting of keyboard, printer and paper-tape reader/punch, linked to the time-sharing service by telephone.

Using the program the broker compiling end-of-year portfolio statements for his clients feeds to the computer the client's holdings at the end of the previous tax year, and the changes subsequently made in them. The program consolidates this information against a master file (supplied by Mouldes) of the 8,000 plus equity, preference and fixed interest shares quoted on Britain's stock exchanges. Having identified which shares paid a dividend during the year, it prints out all dividends due to the clients.

Before the final print-out stage, the program takes into account all capital changes which have taken place during the year, such as scrip issues, rights issues, changes in the stock exchange daily official list num-

The first Pye Unicam computer controlled chromatograph system to be installed in the U.K. is now in operation in the Shell Refinery at Stanlow, Ellesmere Port. At present the computer system is controlling the individual operation of 15 chromatographs and it is expected that on additional number of chromatographs will be added at a later date. Typical applications include hydrocarbon analysis of samples ranging from gas oils to gasolines. The system is claimed to be a new method of data processing and on-line computer control which can handle up to 450 analyses an hour on 30 chromatographs in simultaneous operation.

With which functions can be changed and the simple error correction method are three benefits of this Univac equipment.

her, take-overs and mergers—and prints out a reminder to the broker that these changes have occurred.

The computer terminal produces information under six headings: name of share, client's holding at the time the share went ex-dividend, rate of dividend, date paid, gross receivable and net receivable after tax deductions. All totals are automatically calculated.

All the information printed out on the terminal is automatically coded and punched on paper tape. Stored by the broker or accountant, the paper tape becomes his basic information file for the next year's portfolio evaluation. It is claimed that savings of up to 80 per cent can be achieved by using this program, compared with manual methods. The terminal is rented at about £30 per month, and an accountant could have one installed, use it for this period, and decide to discontinue the service for no additional cost other than the computer time used, at about 25.50/hour. The service cuts to about five minutes what is normally a four hour job, and the work can be carried out by a competent secretary.

The terminal provides access to Honeywell's other computer programs such as discounting cash flow, auditing etc. A program is being compiled to be added to the Dividend service which provides information on capital gains transactions.

CONSTRUCTION

By-pass in the Lake District

JOURNEY times of motorists travelling through the Lake District should be reduced by about half an hour with the opening to-day of the 31-mile Kendal by-pass. Completed three months ahead of schedule by John Laing Construction, the £17.5m. scheme also included improvements to the A6 trunk road.

From the existing A6 dual

carriageway south of Kendal, Laing built a second carriageway, 1.5-mile in length, to a new interchange at Shenstone. The by-pass then leaves the A6 and climbs to the top of Helisfell, 500 feet above sea level.

The new road connects with a roundabout at Plumgarth at the junction of the A591 Kendal-Windermere-Ambleside-Keswick road and the B5284 to Bowness. Awarded in December 1968, the contract involved the excavation of 400,000 cubic yards of material, erection of four bridges, three agricultural underpasses, two cattle creeps and a mile of drainage outfall from Plumgarth to the River Kent.

INSTRUMENTS

Depth kept accurately

A self-controlled diving instrument sensor, designed to be towed behind a research vessel, will maintain its set depth with an accuracy of plus or minus 0.02 per cent of scale.

The "Batfish" made by

Street, N.W., Washington, D.C., U.S., can be towed at speeds up to 10 knots and depths of 670 feet. Speed can be increased to 14 knots at 570 feet.

The Batfish looks something like a paravane but is towed erect. Wings keep it level and vertical rudders correct for depth. The standard instrument reports on salinity and water temperature and other sensors are available.

The fish itself is 40 inches long and weighs 155 lbs.

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HANDLING

Plastics truck is strong

TESTS carried out by WCB Containers on their EW 933 polythene truck with a moulded-in steel rim have shown that it can accept a load of 60 gallons of liquid without any noticeable bowing or deformation.

Normally a polythene truck holding such a volume of liquid would have to be supported in a metal chassis which, of course, considerably increases the weight of the truck.

Comparison tests were carried out at WCB's main manufacturing plant at Stalybridge, Cheshire, where the EW 933 was

tested against a similar free-standing truck, but without any reinforcement.

The unreinforced truck began to bow when only half full with liquid; by the time the truck had been completely filled it was bulging alarmingly, so much so that the sides of the truck were unstable. When an attempt was made to move the truck a considerable amount of liquid overflowed.

However, when the same test was carried out on the EW 933 there was hardly any bowing of the sides and the rim remained perfectly rigid. Movement of the

MATERIALS

Heavy-duty corrugated board

HEAVY DUTY corrugated board, consisting of three kraft liner boards and two semi-chemical fluting mediums, bonded together to form a twin A-flute board, is being manufactured by Bowater-Stevensons Containers, Erwood Park, Manchester.

It is stated that the new board, known as Bowfort, has a high compression strength capable of carrying loads of 1,000 lbs. Weather resistance is provided by the use of moisture-resistant adhesives, plus a high wet strength outer liner.

Bowater claims that the board is much stronger than ordinary corrugated board, but much lighter than wood. It is expected to be used for export shipments and air freight containers. It is stated to cost at least 20 per cent less than equivalent timber cases. Performance figures are given as: compression—17 N/mm²; puncture resistance—220 N; Mullen burst—4200 N/mm²; weight per square metre—1.7 kg.

Hybrid to replace dear alloy

EXPENSIVE beryllium copper, used for its combination of springiness and good electrical conductivity, can be replaced by a non-ferrous copper-steel material. The stainless steel makes the spring and the copper carries the current.

The composite metal is supplied by the Metallurgical Materials Div. of Texas Instruments, Dallas, Texas. It is being used by one maker of domestic electric irons for the spring contacts in the flex plug assembly.

In the original part, a silver rivet was used on the beryllium copper blade for low contact resistance. In the composite part, silver tape is brazed to the spring leaf for a contact. The use of tape instead of rivet is said to reduce the amount of silver needed.

Texas Instruments says the new parts cost only half as much as the ones used previously.

PRODUCTS

Visual planning chart pack

WALL charts for visual planning of production are often custom built to meet special requirements, which means they are expensive both to the customer who has to relate his chart to his products, and to the manufacturer who has to spend much time producing the specialised chart—alternatively the charts have to be so wide and general in application that they become useless.

To overcome these problems Twinlock Saseo, Liddon Road, Bromley, Kent, has produced a new series of charting and planning packs, based on the established range, but capable of being tailored to individual commercial and industrial applications.

There are three packs in the series: "Production" scheduling; "Plant loading" and "Stock control". Each contains detailed instructions which analyse the application and explain how visual planning can be used to provide more effective planning and control. Claimed to be the first complete review of the background and application of visual planning, a specially prepared manual is included in each pack.

All the materials necessary to put the recommendations into operation—including a wall chart grid, a range of magnetic and adhesive signals, chart-channelling, wall mountings, and special pencils and erasers—are in the pack.

Repairs to heavy cable

SHRINKABLE plastic sleeves lined with adhesive and held by a disposable metal channel make a long-lasting waterproof repair to heavy insulated cables.

While intended primarily for cables supplying heavy-duty machinery, they could also be used in any application where high voltages are carried in insulated wires.

The "Thermofast" device is a sleeve with a thick ridge along each edge. It is wrapped around

Problems solved by "clinics"

FOR the first time, the National Materials Handling Centre at the Cranfield Institute of Technology, Cranfield, Beds., is to hold what it calls "problem clinics" intended to provide an opportunity for user industries to get together with the specialists and thrust out their problems directly.

Experts in the field will be invited to describe particular problems they have solved and to take part in general discussion.

The repaired cable and a metal channel slid over the two ridges to hold them together. Heat is applied by a blow torch, shrinking the plastic and melting its adhesive lining. The shrinkage of the plastic forces the adhesive into the pores of the insulation, sealing any cracks and bonding to the original insulation.

The shrunken sleeve is then cooled with water and the ridges and metal channel sliced off to leave a flexible repaired joint.

Small mains rectifier

A PLASTIC encapsulated silicon bridge rectifier only about half an inch square and a quarter of an inch thick, capable of delivering 3 A, is now offered by Concorde Instrument Company of 28 Cricklewood Broadway, London, N.W.2.

The device has a maximum junction temperature of 150 degrees Centigrade and to deliver maximum current needs a simple metallic surface heat sink.

The company plans to introduce lower voltage versions in the near future.

Miniature image intensifier

RECENT declassification of night vision devices by the United States government has allowed

Walk-in environment chambers

A RANGE of walk-in environmental chambers, newly introduced by Taylor-Keenan of Osiers Road, Wandsworth, London, S.W.18, are constructed from modular sections to suit exact customer requirements. Based on a minimum dimension of 2 feet 6 inches, the system will allow complete environmental chambers to be built into almost any size and shape of floor area.

Complete chambers are constructed from wall-section modules measuring either 2 feet 6 inches or 4 feet wide, by 8 feet 6 inches high. The walls are constructed from a tough double aluminium "sandwich" insulated with glass fibre/polystyrene foam and a range of internal and

external finishes is available in a variety of colours and fabrics. The chambers are fully equipped internally with work surfaces, and parking, and wall-mounted service spines carry gas, electricity and water facilities for use inside every chamber.

Temperatures within the chambers can be set anywhere between -30 degrees C and +100 degrees C, while humidity can be varied between 45 per cent and 95 per cent over the temperature range +10 degrees C to +70 degrees C, at temperature and humidity settings being carried out by solid-state proportional controls.



them v. this

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COMPUTER PERIPHERALS

The Financial Times will publish a survey of Computer Peripherals on Tuesday, September 28th. The following indicates the proposed editorial content:

- 1. Introduction.** Business in peripheral equipment is growing at a much faster rate than for central processors.
- 2. Battle for Supremacy.** The main-frame manufacturers are not giving up lucrative markets for peripherals to the specialists without a fight.
- 3. Cards, Tapes and Discs.** A huge installed population of card punch and verifier units is under attack by key-to-tape and key-to-disc equipment makers.
- 4. The Promise of OCR.** Ability to machine-read a number of common fonts fast can transform data processing.
- 5. Displays for Quick Work.** A mass of data can be presented in a flash on a TV-type screen.
- 6. CRT for Fine Design.** Shapes as complex as any draughtsman could require can be manipulated with the latest tubes.
- 7. People Handling.** Seat reservation and other "instant" systems function best through displays.
- 8. Terminal Power.** Big shared machines demand powerful terminals.
- 9. Saving Paper and Time.** Magnetic tape to microfilm systems offer immense paper and storage space savings.
- 10. Tailoring Systems.** Users are now beginning to order complete systems on the strength of terminal performance alone.

Two-tier system satisfies France

BY ADRIAN DICKS

PARIS, August 25. THE FRENCH Cabinet to-day expressed satisfaction at the working of the two-tier market for foreign exchange, and the Government spokesman, M. Leo Hamon, suggested that "at the right time" it might be taken into consideration elsewhere.

M. Hamon also made quite plain France's opposition to the Benelux governments' proposal of another Common Market Finance Ministers' meeting on September 2 or 3. Without mentioning the Benelux plan directly, he said the French Government favoured the date of September 13 already set, and which would give everyone a period for reflection and consultation.

Meanwhile, France would seek the most appropriate ways of co-operating with its European partners. In order to arrive at a position that would affirm the personality of Europe and its weight in the world, such a solution, M. Hamon said, should be on the basis of a fixed parity system.

The dollar weakened further in the free market here to-day, to close at around Frs.5.385—equivalent to a devaluation of about 2.7 per cent. against the franc since the two-tier exchange market started operations on Monday. On the free market, spokesman M. Leo Hamon, suggested that "at the right time" it might be taken into consideration elsewhere.

The most interesting feature of today's trading, however, was the intervention of the Banque de France in the free market, apparently with the intention of slowing down slightly the decline of the dollar. The Central Bank intervened on two occasions, though each time for a very small amount.

It is interesting that it did so at all in view of the terms of the decrees setting up the dual exchange rate system in France, which suggested that the Banque de France would confine its operations to the official market, where it has been instructed to intervene at the old level of Frs.5.5125. In view of the steep order of revaluation of the franc reportedly contained in the IMF staff paper, it may be that the French authorities are concerned to play down the dollar's weakness at the present moment.

Schiller tries to allay German fears

BY CHRISTOPHER LORENZ

BONN, August 25.

AFTER his sharp rejection yesterday of the 13-14 per cent. D-Mark revaluation rate suggested in the IMF study, West German Economics and Finance Minister Karl Schiller to-day went out of his way to calm German fears about the effect on the economy of the changing dollar.

U.S. dollar = Frs. 5.385
German Marks = 3.39
French Francs = 5.51
Italian Lire = 620
Swiss Francs = 4.06
Dutch Guilders = 3.45
Belgian Francs = 49.62
Canadian dollar = 1.01

London rates: Commercial rate, 1.01; Financial franc rate 5.39 to the dollar, and 13.25 to the pound.

currency situation. Among other reassurances, he said that the effect of the greater flexibility of the D-Mark would be to reduce the net value of only 5.3 per cent. But the Bundesbank, while not disputing that the movement of currencies such as the £, the lira and the Swiss franc has reduced the effective rate of D-Mark

Italian industry hit by U.S. import surcharge

BY PETER TUMIATI

ROME, August 25.

A WAVE of cancellations of orders from American importers has reached a number of Italian manufacturers, according to the president of the Italian Confederation of Small and Medium Industries, Signor Fabio Frugali.

The sectors most hit are textiles, knitwear and footwear. Signor Frugali said that the industries concerned are deeply disturbed by the effects of the American move which comes on top of stagnating domestic demand. He added that the very survival of many companies may be jeopardised. In the most hard hit sectors many of the enterprises are among the very small, almost artisan ones, which however, provide employment for a large number of people.

He said that a 12 per cent. increase in the price of imports from the U.S. would mean a 10 per cent. increase for the lire revaluation in prices is an "absolutely unbearable level." His organisation is asking the Government to provide "export premiums."

A cry of anguish has also come from the Confederation of Free Shipowners, a large part of whose sales are in dollars, as are the freight rates for tankers.

Meanwhile, the dollar weakened again very slightly. The official fixing was at lire 615.25 to the dollar, but it was reported that the Bank of Italy did intervene on a small scale, unlike yesterday and the day before.

Japan ready for long currency war

TOKYO, August 25.

JAPAN dug in for a protracted currency war to-day while waiting for the world's other rich nations to make a new move in the present international monetary crisis. The Tokyo Stock Exchange made a good recovery to-day, encouraged by buying by overseas investors, after the heavy fall on the exchange last week.

Japanese banks were buying back from the Bank of Japan part of the \$3,000m. they sold last week.

Meanwhile, while waiting for a decision on a meeting of the

Call to defend interests of third world

BY OUR OWN CORRESPONDENT

GENEVA, August 25.

THE NEED to defend the interests of the developing countries in the present monetary and trade crisis was stressed to-day by the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD), Mr. Manuel Perez Guerrero. In an address to the UNCTAD Board, he pointed out that the 10 per cent. import surcharge imposed by the U.S. was bound to have an adverse impact on the export trade of these countries in manufactured and semi-manufactured goods.

Mr. Perez Guerrero coupled this with what he called the "already existing" external economic assistance of the U.S., which was now to be cut by 10 per cent.

A new Bretton Woods type conference was called for to redress the shortcomings of the old system of world trade and payments, but he warned that such a meeting "must deliberately provide for development in a manner that was previously

The outlook for the papermakers

Production in the British paper industry fell by 10 per cent. in the first half of this year, and profits are suffering. Ken Gofston reports

ALTHOUGH paper industry executives now report the first glimmerings of recovery in demand, following the Chancellor's mini-Budget, the evidence has not yet shown up in the official figures. Production during the first six months of this year was just under 2.25m. metric tons, a drop of 0.7 per cent. on last year. Apparent consumption was down by 8.5 per cent., imports by only 4.1 per cent.

These figures are depressing in any business, but in paper making, where the low value, low profit product demands round-the-clock operation of very expensive machinery to get any return at all, they are frankly appalling.

Squeeze claim

Newspaper and Kraft wrapping paper categories which are particularly vulnerable to Scandinavian competition have done worse than average, with January-June production down by 22 per cent. and 15 per cent. respectively. Yet to what extent it is right to blame the Scandinavians for the problems which have arisen?

The basic arguments are familiar, yet they need to be repeated. No one denies that since the 1967 devaluation of sterling, the prices of Scandinavian pulp have gone up more sharply than those of paper. For example, mechanical pulp now costs £4.1 a ton, against £29.40 a ton in November, 1967, an increase of 39 per cent. while Scandinavian newsprint has gone up only 30 per cent., from £55.40 to £72.25.

British papermakers claim that they are stretched to survive them out of their home market. The Scandinavians reply that it reflects the fact that the pulp makers, after a period of low profitability, now enjoy a better balance between supply and demand, while the paper mills felt unable to force up the price of newsprint at the same pace at a time when Fleet Street newspapers were in financial trouble.

A kindly thought. The truth is that, Machiavellian plot or not, the U.K. is not the ideal place in which to make paper. This is recognised by both Bowater and Reed, which have overseas mills as well as British mills. Publishers may like local production, since it avoids such



Mr. David Russell (left), chairman of Tolls Russell and Co., and Mr. J. B. Rae, managing director of specialist know-how yields respectable profits.

problems as dock strikes, but for an efficient operation you want to get closer to the trees. With the U.K. labour force has been cut by 7,000 since the beginning of the year.

There is some consolation, however small, in the knowledge that it is not just the British mills that are in difficulties. According to one industry economist, the U.S. industry's profit last year was only 4.1 per cent. of sales, and for the Canadians the figure was only 2 per cent. And although it is difficult to generalise without a comprehensive list, several leading paper manufacturers abroad have reported sharply reduced profits lately—the exceptions, which will surprise nobody, being the Swedish pulp manufacturers.

Other sectors of the paper industry have been affected less by the pulp/paper squeeze. Yet most of the paper companies reporting in the last few months have recorded reduced profits, including Bowater, Culler, Guard Bridge Holdings, Olives Paper Mill, East Lancashire and J. and J. Makin, with Inveresk, Associated Paper, Transparent Paper and Clyde Paper making losses. Even Peter Dixon, one of the few to show a slight improvement, cut its dividend as a precaution because of the disappointing outlook.

It is estimated that since the beginning of this year, 49 paper-making machines have been taken out of service (admittedly, a few of them to make way for new modern equipment) and that 10 mills closed completely. Included in that roll call are two mills closed by Inveresk, and others belonging to Wiggins Teape, Associated Paper Mills,

slowdown in building means less base paper for laminated plastics. It's a gross oversimplification, says Mr. John Curtis, chairman of Thames Board Mills, "but 900,000 people unemployed to me means less money going on convenience foods, and if sales of the end product drop off, so does the demand for packaging."

TBM (a Unilever subsidiary) is fortunate in two respects. Like other board makers, it uses mainly local raw materials, particularly waste paper, which means that it has no cost problem. Secondly, the company is price leader in the U.K., and imports are not a serious problem.

In other words, what troubles TBM is not so much a drop in demand on the position a year ago for instance—as are blamed squarely on the sluggish state of the economy. The same is probably true of the specialist paper makers, like Wiggins Teape and Tolls Russell.

Wiggins Teape's financial results have been disappointing recently (it is a subsidiary of British American Tobacco), but at least superficially it would seem to have followed an intelligent policy in concentrating on specialised products with a lot of thinner newspapers and fewer glossy brochures. A slowdown in car production means less demand for car engine filters, a

One of its most important specialties is carbonless copy paper: it has two-thirds of the growing European market for this product, and is still spending £750,000 a year on further research work aimed largely at increasing its competitiveness. Similar arguments can be put forward by Tolls Russell, a medium-sized, privately-owned company based at Glenrothes. Currently it ton is watching its profit slip under the general pressure from the industry, but its £1.35m. pre-tax profit on a £9m. turnover in the year to March 31, 1970, was respectable enough. It operates in such fields as security papers for bank cheques, data processing stationery, photographic film backings (black one side, yellow the other), and high purity insulating papers for electric cables.

These two companies, with Thames Board Mills and a number of others, at least offer proof that the case for writing off the British paper industry, and having all year paper made in Scandinavia is open in question. Indeed, since the industry lost its tariff protection within EFTA, the U.K. production pattern has swung strongly away from such vulnerable products as newsprint and Kraft wrappings into more viable growth areas.

Long-term, the future looks bright enough, with a United Nations report forecasting that Europe by the mid-1980s will not be able to make all the paper it needs. The one danger is that working on such low profit margins, the industry will not be able to finance vital expansion. "Papermakers are crazy," says Mr. Peter Gardner, assistant managing director of Wiggins Teape, referring to the industry's tendency to cut prices at the first sign of a fall in demand. "If the industry is going to be profitable, paper prices have got to go up substantially."

UN forecast

These include household issues (up from 150,000 metric tons in 1964 to 255,000 metric tons last year, though profits are suffering from over-capacity) and wrappings and packings other than Kraft (up from 517,000 metric tons to 580,000 tons over the same period).

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Bi-partisan Dublin policy on Ulster

BY OUR OWN CORRESPONDENT

DUBLIN, August 25.

ALL THREE established political parties, particularly in his forthright talks in London with Mr. Heath.

Mr. Lynch, Prime Minister, continues to evolve policy in a partisan political context as the head of the Government, but the two Opposition parties, Fine Gael and Labour, are now publicly endorsing his demands for a more equitable sharing of administration in the North.

There has, in the immediate past, been criticism of Mr. Lynch and his policies from the Opposition leaders, Mr. Liam Cosgrave and Mr. Brendan Corish. The Prime Minister's recent meeting with them was more in the nature of a general briefing session than a pooling of ideas.

The present common approach to the problems of Northern Ireland apart from some relatively minor differences in emphasis, stems partly from the general crisis atmosphere. But more important, the three parties are now focusing on the same problem: how to bridge the gap between the communities in the North as an objective, completely separate from the old question of ending partition.

This bi-partisanism has emerged after separate talks which Opposition leaders had with Mr. Lynch in London 10 days ago between members of the NI committee, Mr. Vic Feather, TUC general secretary, and Sir Fred Hayday, chairman of the TUC international committee.

Mr. Feather and Sir Fred are two of four observers from the TUC who may attend the conference along with representatives from the Scottish TUC and some other countries.

What the Government will do, with the vessel remains to be seen, after were made to see it in the past by the Ghanaian Government. Whitehall officials said that no decision on its future had yet been taken.

Meanwhile, Mr. Heath has agreed that Britain will consult Ghana's other Western creditors with a view to holding a further meeting to re-schedule Ghana's medium-term debts.

Britain is Ghana's largest single creditor and the Ghanaian Finance Minister recently publicly complained to the British High Commissioner in Accra that present re-scheduling arrangements, by charging high moratorium interest "sanctified the principle of relieving debts by increasing them."

Mr. Heath also apparently assured Mr. Busia that British development aid to Ghana, running at around £5m. a year, would be increased.

THE BRITISH GOVERNMENT has agreed to take over a frigate, originally ordered by the U.K. Navy, from the present Ghana Government. The agreement, which would involve Britain in a "loss" of some £3.8m., was reached on Tuesday during a meeting at Chequers between Mr. Edward Heath, the Prime Minister, and Dr. Kofi Busia, the Ghanaian Premier.

The frigate, which was constructed with special modifications for the Ghanaian Navy, was ordered from Yarrow (Shipbuilders) in 1964. The British Government advanced Ghana a loan to cover 90 per cent. of the cost, of which the outstanding balance is £3.8m. The Ghanaians paid 10 per cent. down, and have since paid back £445,000 of the capital and \$488,000 in interest, although the ship itself has never been delivered and is still at Clydebank.

Difficulties persist in chemicals

By John Trafford

VERY DIFFICULT trading conditions continue in the chemical industry as the latest quarterly report, published to-day by the Department of Trade and Industry, makes clear.

The report only covers the first quarter for chemical output while it covers the second quarter's trends in prices, costs and overseas trade.

Improvement

Judged against a background of the decline in GNP, the 2.5 per cent. fall in chemicals output disclosed for the first quarter of the year over the previous quarter is not too bad. Chemicals output was, in fact, 4.5 per cent. ahead of the comparable period of 1970. A big improvement, mirroring last year's pattern, will be expected when output figures for the second quarter of 1971 become available.

The largest declines occurred in pesticides (down 20 per cent.), fertilisers (down 11 per cent.) and synthetic rubber (down 9 per cent.). The performance of pesticides is largely explained by exceptionally high sales of weed-killers in the final quarter of 1970.

Perhaps the most noticeable aspect of the DTI figures from the industry's point of view are the trends shown in selling prices. While these, on average, advanced by as much as 3.3 per cent. in the first three months of the year, in the second quarter the rate of increase dropped to 2.0 per cent.

The largest price rise was in plasticisers, which showed a 4.4 per cent. gain in the second quarter and a 10 per cent. rise over the second quarter of 1970. In one of the sectors which matters most to the big petrochemical companies, synthetic resins and plastics, the price index only rose by 2.7 per cent. between the last quarter of 1970 and the second quarter of 1971.

The industry's cost index which covers expenditure on such items as oil, coal, electricity, packaging materials and chemical plant, showed signs of rising much less rapidly. The 2.7 rise recorded in the first quarter was transformed into one of 1.5 per cent. in the second.

Both imports and exports rose by about 10 per cent. in the first six months of the year compared with the first half of 1970. As usual, exports, at £462.5m., comfortably exceeded imports at £308m.

The volume of capital expenditure is estimated by the report to have risen 27 per cent. in 1970, reaching a peak of £281m. at 1963 prices. At current prices investment was 41 per cent. above the level of the previous year. First quarter investment in 1971 was the same as 1970.

North Sea oil search licences

THE GOVERNMENT yesterday confirmed the award of 15 blocks to search for oil and gas in the North Sea to the highest bidders in last Friday's auction.

The winners included Shell-Esso, which made a dramatic £21m. bid for a block north-east of the Shetlands, and a small Canadian company, Chieflain Exploration, which proved the only bidder for three blocks further south. The auction will bring the Government over £27m. in total.

The auctioned blocks, which were introduced on an experimental basis for the first time in the North Sea, will be sold on a 100 per cent. allocation of 436 licences in the U.K. sector of the sea.

Final awards for the remaining 421 blocks, which have attracted a record number of applicants, is expected in two to three months' time. The blocks are being allocated on a discretionary rather than cash basis, with allowance made for the work programmes being offered, the experience of the applicants and the degree of British participation.

The full list of the competitive tender awards now confirmed is: Block 3/18—£51,000: Total Oil Marine, Elf Oil Exploration and Production (U.K.), Aquitaine Oil (U.K.), Pict Petroleum, R.I.T. Exploration, City Zenith, Envoy Investments, Elpendine, Cavoods Holdings, National Westminster Bank, Delta Metal, Krissel, Rhodanna.

Block 15/22—£11,300: Texaco North Sea U.K. Block 15/23—£271,000: Hamilton Brothers Oil (G.B.), Hamilton Brothers Petroleum (U.K.), Rio Tinto-Zinc Corporation, Black

frans Oil, Trans-European Company Block 15/26—£33,500: Deminex (London), (jointly with BP Petroleum Development Limited). Block 16/27—£657,666: Phillips Petroleum Exploration U.K., Arp (U.K.), Fina Exploration, Century Power and Light, Halkyn District United Mines, Oil Exploration.

Block 21/7—£4,500: Chieflain Exploration (U.K.). Block 21/14—£3,200: Chieflain Exploration (U.K.). Block 30/22—£1,050m.: Texas Eastern (U.K.), Gas Council, Amoro U.K. Petroleum, Amerada Exploration.

Block 20/28—£1,500m.: Conoco National Coal Board (Exploration), Gulf Oil (G.B.). Blocks 48/12 and 48/13—£3,000: Chieflain Exploration (U.K.). Block 48/15—£225,164: Conoco National Coal Board (Exploration).

Block 21/17—£51,000: Total Oil Marine, Elf Oil Exploration and Production (U.K.), Aquitaine Oil (U.K.), Pict Petroleum, R.I.T. Exploration, City Zenith, Envoy Investments, Elpendine, Cavoods Holdings, National Westminster Bank, Delta Metal, Krissel, Rhodanna.

Block 21/21—£21,050m.: Shell U.K., Esso Petroleum. North Sea prospects Page 15

CHARTER FIRMS SUBSIDIARY

Charter Consolidated, who has a 30 per cent. stake in a consortium which has applied for several blocks to explore for gas and petroleum in the North Sea, has set up Charter Consolidated (North Sea Explorations) to handle its side of the business.

Home Oil of Canada, 60 per cent. and a group of English and Scottish institutions make up the consortium.

BEA Airtours profit

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BEA AIRTOURS, the holiday charter subsidiary of British European Airways, made a profit of £154,140 in the financial year ended last March 31.

The operating profit amounted to £138,340, and the final profit is achieved by adding in interest of £15,856 and profit from disposal of equipment of £445.

After taking into account the loss of £84,079 incurred in setting up the company in 1969-70, the cumulative profit for BEA Airtours to date is thus £80,061.

During the 1970-71 year, BEA Airtours' fleet of nine Comet 4B jets flew a total of 17,802 hours, and carried 650,000 passengers, chairman Mr. Philip Lawton and managing director Captain W. Baillie reported yesterday.

Mr. Lawton gave a warning, however, that in the current year, the company, "like all other air operating companies, is faced with very sharp increases in costs, especially fuel costs, which have not been passed on to our customers."

"This is presenting the com-

pany's management with a great challenge. BEA Airtours' management, in fact, shares the view of many other airlines and tour operators that holiday tour prices to the public will have to be raised

Charter group

SEVERAL EUROPEAN short-medium haul air charter operators, including some in the U.K., are forming a new international organisation to promote their collective interests in this rapidly expanding area of air transport.

Called the European Charter Carriers Association, it has evolved from the former European Air Charter Group, a small private "club" of airlines involved in the short-haul inclusive-tour and charter field.

To some extent, the ECCA is seen as a counter to the recently-formed International Air Charter Association (IACA), which is regarded as too American dominated at this time, especially by long-haul airlines, although it is intended to be fully international.

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GENERAL APPOINTMENTS
APPEAR TO-DAY
ON
PAGE 10

Advertising and

Another headache for commercial radio

BY MICHAEL RYAN

Anyone who imagines that local commercial radio will be able to provide audience figures even remotely comparable to the JICTARS television viewing figures has a rude awakening coming.

This was the conclusion to be drawn from last week's meeting of the Media Research Group addressed by Frank Teer, managing director of NOP Market Research and Brian Emmett, head of audience research at the BBC. In 1965 during the time of the pirates, NOP conducted a popularity poll which did at least provide a rank ordering of stations and demographic profiles of cumulative audiences. But this is of little relevance to the situation which will face the commercial radio contractors when there will be so many more stations.

What about American experience? In the U.S. 24-hour listening figures are collected from seven-day diaries. Could this not be done here? The radio researchers' difficulties start with money. Current estimates of the likely revenue of commercial radio are of the order of £5-10m. Assuming research expenditure of 1 per cent, this means £100,000 or £2,000 for each of 50 stations. This will not go very far. An annual boundary survey, a once-a-year 24-hour listening survey, plus a contribution to a national radio survey: these were Mr. Teer's suggestions.

But the difficulties do not end with money. Radio is a medium carrying much less audience involvement than television or newspapers. People are therefore less able to remember what stations they listened to and when. They may not even know which station they are listening to at the time. During the days of the pirates 18 per cent of those listening at home to a commercial station named it incorrectly as shown by checking their radio. Moreover, much radio listening takes place outside the home—at work, in the car, in other people's homes—and so such cases people are even less likely to know what station they are listening to. What research will there be to guide prospective radio advertisers? The industry, Mr. Teer suggested, should be able to afford a once-a-year national survey to estimate the size and demographic profile of the cumulative audience for different time segments. The local surveys will be available to give an indication of departure from the national mean. But there will be no continuous listening figures and no spot audience figures. The data to estimate coverage and frequency for radio schedules. In the media world, research data is sales data. It looks as if the research problems will further aggravate the difficulties that commercial operators will have in raising sufficient revenue from national advertising to supplement their local advertising revenue and cover their costs.

AGENCY NEWS

Changes at the AA

MALCOLM WRIGHT has left the Advertising Association, where he was director of public affairs, and has set up his own agency. It is called Malcolm Wright and Associates and is at Ludgate Square, E.C.4. First clients are Excerpta Medica Foundation, an information organisation, and Strassenburgh, the U.K. end of a U.S. conglomerate.

His place at the AA has been taken by John K. D. Marks whose career has covered both agency and client sides of advertising. He originally joined Unilever but from 1951 onwards he has been with agencies—first Lintas, then Erwin Wasey, and subsequently with Hard Wood as a director.

Colin Goodson, currently one of five collaborative group heads at Wasey Pritchard Wood and Quadrant, is taking over as managing director of the agency. Dennis Reader, who has been combining the jobs of managing director and chairman since the merger of the two Interpublic agencies, Erwin Wasey and Pritchard Wood, two years ago, continues as chairman.

Mattel, the Hot Wheels mini-cars and Barbie dolls firm, has placed its account with Lintas. Advertising last year, banded by Leo Burnett-LFE, was around £200,000. Lintas has been associated with Mattel's European offices for the past two years and the move will help in co-ordinating an overall marketing programme.

Colman Proffitt and Varley has won the Lederle Laboratories account in competition with two other agencies. Lederle is a division of Cyanamid of Great Britain and bills about £100,000 a year.

Green Shield has given £100,000 worth of its advertising account to Roe Compton. The agency will examine the possibility of TV in addition to designing editorial and advertising supplements in regional newspapers. Local radio will also be considered and incentive

schemes are being worked out. The budget could rise to £250,000 within the next two years.

Young and Rubicam International put on billings of £23m. in the first six months of the year, £6m. of which was in May-June. The London agency contributed 15 per cent of the total rise.

Footo Cone and Belding's direct response division now acts for Peter Saunders (mail order) and Vitatone International (in-home muscle toners). Both accounts are worth about £30,000.

GEORGE'S TAV



Want to find a riverside pub? Or one with drag shows? Theo Mandy (above) can give you directions for she is guiding visitors to London to the type of pub they are looking for. But the Pub Information Centre is not quite what the name suggests for the information is only about St. George's Tavern, part of Watney Mann. The Centre, in Vauxhall Bridge Road, is to be advertised on the London Underground and in guides to London happenings.

COMPANY NOTICES

GM DIVIDEND DECLARATION GENERAL MOTORS CORPORATION

Notice to Authorised Depositories and to owners of
BEARER DEPOSITARY RECEIPTS
Representing units of one-twentieth of a deposited share of Common Stock

NOTICE IS HEREBY GIVEN that resulting from the Corporation's Declaration of a DIVIDEND of \$0.55 (gross) per share of the Common Stock of the Corporation payable on 10th September, 1971, there will become due to respect of BEARER DEPOSITARY RECEIPTS a gross distribution of 41 cents per unit.

The Depository will give further NOTICE of the STERLING EQUIVALENT of the net distribution per UNIT payable on and after 15th September, 1971.

CLAIM FORMS for completion by Authorised Depositories only, are now obtainable from Barclays Bank Limited (as below) and may be lodged forthwith.

THE CORPORATION'S SECOND QUARTERLY REPORT FOR 1971. Authorised Depositories are assisting in the distribution of this Report to holders of Bearer Depositary Receipts. Copies may also be obtained from Barclays Bank Limited.

Barclays Bank Limited,
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26th August, 1971.

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NOTICE IS HEREBY GIVEN that the REGISTER OF THE COMPANY will be open for inspection at the offices of the Company, 15th to 24th September, 1971, both dates inclusive.

By Order of the Board,
Devonshire House,
Gray's Inn,
London, W.C.1.

THE STOCK CONVERSION AND INVESTMENT TRUST LIMITED.

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By Order of the Board,
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London, EC4N 3JF.

It must be emphasised that all these achievements of the National Iranian Oil Company would not have been possible without the guidance of His Imperial Majesty the Shahanshah Arya Mehr and the loyal efforts of the employees of the oil, gas, petrochemical and affiliated companies.

COMPANY NEWS AND COMMENT

Second half recovery by Vantona

SECOND HALF profits of Vantona, the Manchester based textile group, have improved sharply from £207,803 to £217,240. This more than offsets the downturn in the first six months, and brings the figure for the year ended April 3, 1971, up to £773,229 compared with £754,408.

The 3 per cent. cut to 4 per cent. in the interim is being restored in the 9 per cent. final proposed which maintains the total at 13 per cent.

1970-71 1969-70

Profit 773,229 754,408

Charged:—

Depreciation 279,660 274,863

Loss int. 160,000 157,750

Taxation 231,250 240,839

Minorities 71,150 68,237

Free assets 54,123 54,123

Net profit 380,426 348,722

Pre-tax profit 311,220 311,220

Ordinary 242,417 242,417

Reserves 86,779 86,779

Meeting, Manchester, September 23.

● comment

Minus sales figures, indications of the state of play in France and Holland and clues to any acquisition growth, the 1970-71 results from Vantona pose more questions than they answer. From the 1969-70 figures, the company had a combined half loss of £63,000, so their trading October to March could have had an important bearing on a group second-half performance that takes in profits 38 per cent. higher pre-tax. A first time injection from the Mary Harris acquisition must have played a part in the profits upswing.

At any rate, the upshot is 1970-71 profits ahead by 5 per cent. before tax, and fully diluted and taxed the resulting 10.1 p/a at 43p is suitably cautious ahead of the accounts.

Pemberton interim reduced

INCORPORATED practitioners in advertising, the Pemberton Group, reports a contraction in first-half pre-tax profit from £112,489 to £90,609 but the directors are keeping to their forecast of substantially enhanced earnings for 1971. Profit for 1970 was £119,594.

The interim dividend, on capital increased by the acquisition of a minority interest in E. Lindsay Smithers (Pty) of South Africa, is reduced from 10 to 7 1/2 per cent. The 1970 total was 14 per cent.

The directors explain that owing to new measures within the industry relating to advertising, it is prudent that significant additions to liquid resources be made out of profits.

First-half net profit was £11,509 (£56,489), after tax of £49,000 (£56,000).

● comment

A drop of 19 per cent. in Pemberton's half-time profits hardly seems to substantiate the optimism expressed in the last annual accounts. U.K. turnover has again been sluggish and with some clients cutting advertising budgets, total billings are likely to fall below the expected £12m. Despite these problems the major headache appears to have been overseas with both the Italian and Australian subsidiaries incurring losses. These companies are now, however, out of the red but the U.K. activities have since met with another blow. This has come from the restricted advertising on insist on immediate settlement of accounts and its intention to enforce this by financial penalties. This is bound to tax the liquid resources of the agencies as far as 1971 is concerned. Pemberton should comfortably exceed 1970 profits given that the current half has to return just £22,000 to provide annual all-square result. But then Pemberton needs to produce £170,000 pre-tax overall for the p/a at 21p to fall in line with an around 9 1/2 sector average.

● comment

Paramount Realty now sees 14%

IN VIEW of an anticipated rise in rental and other investment income, Paramount Realty Holdings is upgrading its dividend forecast from 13 to 14 per cent. for 1971. This compares with the previous year's total of 11 per cent. The interim is stepped up from 10 1/2 to 12 1/2 p/a.

A second interim of 8 per cent. to be regarded as a final, will be paid on March 31.

The directors are "reasonably confident" that this year will see the company's pre-tax profit of £256,752. For the first half of the current year it is up from £116,272 to £133,238.

Based on current market rents, further increases in rental income are assured as rent reviews continue to fall due, "with the prospect of continued growth in earnings and higher dividends as time goes on," the directors add. But they warn that building costs may continue to suffer as greater emphasis is placed on securing the best return on capital employed.

Negotiations have been completed for the purchase of an additional piece of land next to one of the undeveloped office sites in Uxbridge Road, Ealing. Revised plans are being finalised with a view to getting tentative planning approval, and an application for an office development permit, the result of which should be known in the next few months.

● comment

Roots 1971 1970

Trading profits 1,543 1,273

Development, etc. profit 59,724 67,683

Less: amortisation 1,281 1,281

Net profit 1,861 1,675

Investment income 12,655 12,655

Depreciation, etc. 74,093 74,166

Loan stock int. 24,724 24,405

Less: amortisation 1,281 1,281

Taxation 48,481 54,435

Net profit 54,739 62,337

Less: amortisation 1,281 1,281

Net profit 53,458 61,056

Less: amortisation 1,281 1,281

Net profit 52,177 59,775

Less: amortisation 1,281 1,281

Net profit 50,896 58,494

Less: amortisation 1,281 1,281

Net profit 49,615 57,213

Less: amortisation 1,281 1,281

Net profit 48,334 55,932

Less: amortisation 1,281 1,281

Net profit 47,053 54,651

Less: amortisation 1,281 1,281

Net profit 45,772 53,370

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INTERNATIONAL COMPANY NEWS + EURO MARKETS

Zeiss Ikon to cut work force by almost half

BY CHRISTOPHER LORENZ

ZEISS IKON, the West German camera manufacturer, will completely close its Zeiss Ikon plant in Brunswick, near Hannover, by the end of next year. As a result, the West German Zeiss name will almost completely disappear from the world camera market and Ikon's 4,000-strong work force will be cut by 43 per cent.

The Voigtlaender plant, which was taken over by Zeiss Ikon less than two years ago, bears the name of the world's oldest camera company. Zeiss Ikon, which is 93 per cent owned by the Zeiss Foundation, blames the closure on the impossibility of producing "wage intensive" cameras in the lower and middle price ranges on a competitive basis in West Germany. It cites, in particular, low-price competition from East Germany, Japan, and Communist China.

Although Zeiss Ikon has made many attempts to rationalise production—including the concentration of camera output on the Voigtlaender factory—it has always refused to follow the lead set by other West European camera producers in moving to

countries where labour costs are low. The company, which made a loss of DM10m in its 1969/70 business year and is expected to repeat this performance this year, will continue to make optical equipment, lenses, leather goods and other products at its several German factories.

An apparent contrast to the

Salomon for London

BY JUREK MARTIN

NEW YORK, August 25.

SALOMON BROTHERS, one of the best known and respected American brokerage and underwriting houses, will open an office in London this autumn, probably in October.

The firm has yet to make a formal announcement of its plans. Officials of the firm today declined to discuss any details of the proposed operation, but they did acknowledge that all that remained to do now was to issue a public statement on the matter. This statement has, apparently, yet to be drafted.

Salomon Brothers already possesses a formidable international reputation and the establishment of a London office would enable it to extend further its activities. Since it is easily the largest bond house on Wall Street, considerable speculation will now centre on whether it intends to enter the Eurobond market; the firm would not comment on this possibility today other than to say that obviously this was an area of considerable interest.

The turnover of Nippon Steel in the last six months term to March, 1971, was Yen 634,481m, and the level of pre-tax earnings was Yen 18,510m. The present estimate of steel industry analysts, however, is that turnover will fall a little, to a level of about Yen 630,000m in the current term and the level of profits is expected to be only marginally maintained, at best, and could decline by up to Yen 2,000m.

According to Nihon Keizai Shimbun, the leading Japanese financial newspaper, profits of Nippon Steel may be down this term by as much as 20 per cent. Mr. Inayama's approach to the situation is that which he has

JAPANESE STEEL INDUSTRY

ARE THE profit margins of Nippon Steel coming under further pressure despite the vigorous management of Mr. Yoshitomo Inayama, the diminutive, paunchy president of the world's largest steel producer? During the last five years, the margin on sales has steadily declined, from 3 per cent to 3 per cent, and the question is whether the Japanese steel industry, under the pressures and present declining fortunes.

The turnover of Nippon Steel in the last six months term to March, 1971, was Yen 634,481m, and the level of pre-tax earnings was Yen 18,510m. The present estimate of steel industry analysts, however, is that turnover will fall a little, to a level of about Yen 630,000m in the current term and the level of profits is expected to be only marginally maintained, at best, and could decline by up to Yen 2,000m.

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favoured for many years, since he joined the industry in 1927 as a graduate of the old Tokyo Imperial University. Fundamentally, he believes in co-operation between the half-dozen leading concerns which compose the Japanese steel industry, rather than "excessive cut-throat competition," as he put it today in Tokyo. All changes facing the Japanese steel industry (and thus all threats to profit margins), are best countered by the kind of industry-wide collaboration, which saw its most complete form in pre-war days in Japan with the formation of a national iron and steel company in 1934 (for which Mr. Inayama worked until the war).

That this is the way in which the mind of Japan's leading steelman works was shown in the late 1950s when he lobbied away, together with the current chairman of Nippon Steel, Mr. Shigeo Nagano, to merge the two leading companies, Yawata Steel and Fuji Steel, which had before the war been parts of the national Japanese Iron and Steel Company.

The merger was finally achieved in March, 1970—creating an industry leader with one-third of steel production (33m metric tons of steel production last year). This was one way, both Inayama and Nagano felt, to ensure the future of the Japanese steel industry, by creating a dominant company, which would be able to lead Japanese industry in the right direction.

What this direction should be, Inayama had many times stated, was simply that of maintaining reasonable profit margins by allowing steel production to expand only within the limits permitted by the growth of the economy. This is not to say that Inayama was opposed to expansion by European or American standards he remained a rabid expansionist. His general line, however, last year, faced by Government predictions that Japanese steel production would rise to about 160m. tons of crude steel a year by 1975, was to rebuff such "excessive" enthusiasm, and to opt for a lower target—130m. tons. More recently, he has reduced this figure to only 120m. tons, in slowing-down the drive of the steel industry in Japan as a whole. There is still the most

intense desire to increase production, and one detects this in Inayama's own company for all his talk of the need for moderation. Investment this year, for instance, is expected to total production in 1970 of 30m. tons.

Not that Inayama has been suc-

cessful in the leading Japanese steel companies to co-operate on export. Experts in the U.S. have been controlled for two years already under a voluntary industry agreement. This has to be re-negotiated this autumn, as it expires at the end of the year, and the only remaining issue, it seems, is whether the annual increase in volume should be 2.5 or 3 per cent a year.

"This is a gap which we should be able to close by negotiation, it really doesn't matter too much," said Inayama.

The trouble is that re-negotiation with the U.S. industry of the new export ceilings has been complicated by Mr. Nixon's new import surcharge of 10 per cent, by the prospect of a Yen revaluation (which now seems likely to take place within the next month at least), and by industry plans for raising Japanese export prices by nearly 10 per cent—over, before the latest Nixon move. What seems clear, however, is that one way or another, Japanese exports to America (worth \$900m. last year) can be well maintained, while exports elsewhere—Europe—can also be held back, if necessary, even strong European pressure. (Mr. Inayama himself has only recently returned from discussions with European producers about

Japanese export increases—the outcome of which remains, however, uncertain.) The real problem for the steel industry here then is the domestic market, and the problems of production cutbacks, domestic price and production cuts, and investment in new plants. These are being aggravated by the fact that the American steel industry is expected to expand its production by 10 per cent in 1971, and by the Japanese economy as a whole from 10 per cent "slowdown," as officials describe it (this year's growth rate will be under the 10 per cent target). It is such anxiety, which have led to predictions that Nippon Steel's profit margins will be squeezed a little further this term. If, then, Inayama's new plans to control steel capacity expansion in Japan—and to hold back production too at this stage—the fear is that Nippon Steel will face greater trouble.

● IKA CORPORATION, U.S. insurance and investment group, said it acquired 10 per cent stake in Rail Equipment, credit and finance house controlled by the Financiere de Suez et du Canal Parisienne. IKA bought 10 per cent stake in Suez last year.

IN BRIEF

Europe

● BP and ANIC, subsidiary of Italian State-owned ENI, formed new company, Italproteine, with view to production of protein in Italy using BP's process for growing yeast on oil. Implementation of proposed project is dependent upon findings of detailed study, which has already started, confirming to both BP and ANIC acceptability of economics and financing arrangements. Proposed Italproteine, which is owned 50:50 by BP and ANIC, will construct by BP's process of 100,000 tons plant in Sardinia for production annually of protein from normal paraffins.

● MONSANTO EUROPE net profit dropped to B.Fr.138m. last year from B.Fr.150m. in 1969.

● LYON GROUP will open office in Paris in preparation for future industrial and commercial development in Europe. At this stage, group is primarily concerned with prospective sites in France, but is also looking closely at Germany, Holland and Belgium, with view to long-term development plans.

● NOBLE GROSSART, Edinburgh-based merchant bank, completed placing, largely with Scottish institutions of \$18m. of equity and loan stock for D. W. Phillips International. This is parent company of European group, registered in Luxembourg, and with headquarters in Monaco, which provides personal and other services under the trade name "Mister Minit".

● SWISS ALUMINIUM will float a Treasury witness undertaking from September 7 to 12 Sw.Fr.100m. loan, with 6.25 per cent coupon. The 15-year loan will be issued at 100.6 per cent.

● SKF KUGELLAGER-FABRIKEN OM100m. loan will carry 8 per cent coupon, run for 15 years, and be issued at 100.5 per cent. Otsche Bank said as joint consortium leader with Oresdiner Bank.

● The Treasury is criticised by the Commons expenditure committee, in a report published yesterday, for its failure to provide information on the possible effect of public expenditure programmes.

A recent attempt by a leading anti-Marxist, Mr. Neil Martin, to castigate the Treasury to stronger terms was defeated by 15 votes to 7.

The report states that the five-year economic forecasts linked to the Public Expenditure Survey were not subject to a wide range of uncertainties. Devaluation, a change of Government, and the prospect of entry to the EEC were identified as the kind of factors that would send "quite an

appreciable tremor" through the figures.

The committee, noting that Government statistics did not take account of potential future contributions to or receipts from the Treasury, asked whether any Treasury estimates had been made of the additional resources that might be available for public expenditure programmes as a result of entry on the terms envisaged.

A Treasury witness undertook on March 3 to see what information could be provided, but the report states that "regrettably, no further reminders, no further communication has been received from the Treasury on this matter."

When the draft report was submitted to the full expenditure committee on July 29, Mr. Dick

● OCE-VAN DER GRINTEN, Dutch reprographic group, said profit for year ending November 30 should advance over last year's Fr.18.3m, although profits so far this year failed to keep pace with growth in sales.

● SCOTTISH AND YORK HOLDINGS, of Toronto, controlled by Lord Thomson and engaged through subsidiaries in insurance and insurance agency business, plans to split its common shares on a two-for-one basis and will increase dividend to 14 cents a share quarterly from 12 cents.

Profit for six months ended June 30 was \$2,952,000, or 13 cents a share, against \$2,700,000 (11 cents) a year earlier. Latest period profit excludes extraordinary income of \$2,952,000 and 1970 profit excludes extraordinary income of \$2,952,000. Revenue \$60,67m. (\$55,04m.).

● BP OIL AND GAS, of Calgary, net earnings for the first half of 1971 amounted to \$3,70m. (12.9 cents per share) compared to \$2,93m. (12.9 cents per share) for the same period in 1970. Group income for the period was \$11.38m., an increase of 11.5 per cent over the corresponding figure for last year.

● DEERE net earnings in third quarter, ended July 31, rose to \$11.3m. (\$1.11 per share) from \$11.2m. (77 cents) on sales increased to \$309m. from \$284m.

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● CHRYSLER FINANCIAL CORPORATION filed with SEC for offering of \$80m. of 20-year debentures, due 1991, through First Boston Corporation and Merrill Lynch, Pierce, Fenner and Smith. Offering is expected around September 13.

● GUERNSEY, August 23. GUERNSEY'S first locally produced census, published today, shows that since 1961 the population of Guernsey, Alderney, Sark, Herm and Jethou has risen by 1.4 per cent a year. It now totals 53,754, against 47,099 in 1961, and the annual rate of increase has been the greatest recorded for over a century.

At a Press conference, Deputy H. C. Henchman, president of the Board of Administration responsible for the census, said: "It is not surprising that we have had problems in housing, education, hospitals and the like."

An all-Guernsey team spent over 9,500 man hours producing the full findings which have been printed by Paramount-Lithprint of Guernsey. Alderney, Sark, Herm and Jethou are included in the census on sale at 25 each.

The British-made ICL 1901a computer of the Island Government's Electricity Board was used to validate and produce the census statistics. An ICL optical reader at the Office of Population, Censuses and Surveys at Titchfield, Hampshire, was used to reduce the primary information on 10,000 feet of magnetic computer tape.

It was the first time since 1881 that Guernsey had conducted its own census. Previously it has been done by the U.K. and the results of the 1961 census were not available until 1966.

prices since November and at the time of decimalisation some were rounded down. Since then, the chances of a further increase have risen steadily and although the major bakers say they have no definite plans at the moment, a decision is expected soon.

Mr. Zimmerman pointed out that the increase by independent bakers would coincide with a 14 per cent pay rise for shop workers and roundsmen, who will be receiving up to an extra 22 a week.

He stressed that flour prices, too, were expected to rise in the wake of the Government's newly introduced import levy system. The major bakers, however, still intend, if it is possible, to gauge the impact of the CBI's limit to affect scheme.

The industry has not raised

GREATER confidence in the economy and a stronger Stock Market helped cause increased activity on the take-overs and mergers front in the second quarter of 1971 after a poor first three months. The improved climate brought out larger deals and generated more loan stock and other paper transactions than cash deals.

This is the picture reflected in figures on acquisitions and mergers for the second quarter of 1971, and published in this week's Trade and Industry Journal of the Department of Trade and Industry.

In April-June there were 219 industrial and commercial acquisitions reported in the Press, compared with 159 between January and March and a quarterly average of 200 in 1970. Total expenditure involved more than doubled from £30m. to £187m., but that

Yearly rise of 1.4% in Guernsey's population

By Our Own Correspondent

GUERNSEY, August 23. GUERNSEY'S first locally produced census, published today, shows that since 1961 the population of Guernsey, Alderney, Sark, Herm and Jethou has risen by 1.4 per cent a year. It now totals 53,754, against 47,099 in 1961, and the annual rate of increase has been the greatest recorded for over a century.

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was well below the 1970 quarterly average of over £200m.

The number of large acquisitions over £5m. rose from three in the first quarter to eight in April-June and in value the eight accounted for over half the quarter's expenditure.

The swing from cash deals to fixed interest security transactions was marked, cash accounting for 28 per cent of total expenditure compared with 44 per cent in the first quarter, and securities for 28 per cent, against 17 per cent.

Acquisitions of independent companies from 120 in the first three months to 143 in the second quarter, and expenditure involved more than doubled.

By contrast with the increased merger activity generally, there were few significant acquisitions of foreign companies by U.K. concerns. A total of 14 deals in the second quarter involved only some £5m.

COLLARS, Glasgow, 12. (Chairman, Mr. F. Pickles.)

INGRAM (HAROLD), Berrers Fold, W. 12. (Chairman, Mr. P. A. Ingrams.)

HARRIS (PHILIP), Birmingham, 11.30. (Chairman, Mr. W. H. Harris.)

LILWORTH (MORRIS), Shipley, 12. (Chairman, Mr. J. Lilworth.)

LONDON AND COUNTY SECURITIES, 34, Pall Mall, London, E.C. 1. (Chairman, Mr. G. J. Gage.)

PATANI PEARL PLANTATIONS, 11, York Road, London, E.C. 1. (Chairman, Mr. F. A. Patani.)

TRAFFORD CARPETS, Manchester, 12. (Chairman, Mr. P. A. Trafford.)

UNITED TRANSPORT, 230, Tottenham Court Road, London, W. 1. (Chairman, Mr. O. L. Jones.)

WYRE AND LIME, Bradford, 12. (Chairman, Mr. G. M. Warr.)

WOOD (S. W.), Winchester House, E.C. 12. (Chairman, Mr. E. Burke.)

"Small hotel has future in the industry"

BY JOHN HUNT

THERE IS a good future for small hotels and restaurants in Britain, but they will have to make radical changes if they are to secure their opportunities.

This is the conclusion reached by the three authors of a study on small concerns in the hotel and catering industry carried out for the House of Inquiry on Small Firms.

"On balance, we feel that the small firm does have a future in this industry," the report states.

Their ability to offer a personalised service and friendly atmosphere is seen as their particular strength. On the other hand, their competitiveness is weakened because the economies of scale are not open to them—particularly in marketing and in bulk purchase of supplies.

The report points out that in many areas where the small hotel predominates the tourist trade is static or declining and there is keen competition from self-catering holidays.

There is also a particular problem in attracting finance for the expansion of small hotels and the authors suggest greater financial assistance from the Government to help improve standards.

The report says unnecessary services should be cut out and innovations introduced such as limited menus and centralised kitchens serving several establishments.

It places great stress on the need to form co-operatives among small hotels in order to undertake joint marketing, including exten-

sive advertising to attract foreign tourists.

The estimate arrived at by the authors is that in Britain there are now 9,000 licensed hotels, 30,000 unlicensed hotels, boarding and guest houses and over 30,000 restaurants, cafes and snack bars. Total turnover is about £1,000m. per annum.

The Committee of Inquiry, whose chairman is John E. Bolton, reports this autumn on the role of the small concern in the economy.

The Small Firm in the Hotel and Catering Industry, by J. F. Pickering, J. A. Greenwood and Diana Hunt, Sussex University, SO, £1.18.

Christmas stamps out earlier

COLOUR photographs of stained-glass window panels at Canterbury Cathedral are to be reproduced on this year's special Christmas stamps.

Stamps of 2½p, 3p and 7½p go on sale on October 13, several weeks earlier than usual. They show three panels of a window in the north choir aisle at the Cathedral, each depicting a Nativity scene.

A pictorial Christmas air letter to the north, featuring illustrations of doves, goes on sale the same day.

INTERIM STATEMENT

SOUTH AFRICAN TORBANTINE MINING AND REFINING COMPANY LIMITED

(Incorporated in the Republic of South Africa)

DECLARATION OF DIVIDEND AND INTERIM REPORT YEAR ENDED 30TH JUNE, 1971.

DIVIDEND

Final Dividend No. 39 for the year ended 30th June, 1971, at the rate of 6.5 per cent equivalent to 3.25 cents per share, has been declared payable to holders of shares registered in the books of the Company at the close of business on the 10th September, 1971. The Dividend is declared in the currency of the Republic of South Africa. Payment from the London Office will be made in United Kingdom currency and the date for determining the rate of exchange at which the currency of the Republic will be converted into United Kingdom currency will be 12th October, 1971. Warrants in payment will be posted on or about 2nd November, 1971. The Register of Members will be closed from 11th to 17th September, 1971, inclusive. The Dividend is payable subject to conditions which can be inspected at the Registered Office or London Office of the Company.

ACCOUNTS

The Company has qualified for the minimum guaranteed profit for the year ended 30th June, 1971, in terms of the refinancing agreements.

The results for the year, which are subject to audit, compared with those for the previous year are as follows:

	1971	1970
Profit	243 000	351 000
Taxation	138 000	144 000
Profit after taxation	205 000	207 000

Dividends No. 38 of 7 per cent (3.5 cents)

And No. 39 of 6.5 per cent (3.25 cents)

(1970—16 per cent equivalent to 7.5 cents)

GENERAL

In 1961 Agreements were signed between Salmat and B.P., Callex, Mobil, Shell and Total to refine their crude oil for them at our Boksburg Refinery. A summary of these Agreements was included in the 1961 Chairman's Review, and at the same time the full Agreements were made available for inspection at the Company's offices in Johannesburg and London. These Agreements, which came into force on the 1st July, 1961, had a minimum life of 15 years and were subject to at least 5 years notice which could not be given prior to the 30th June, 1971. All the above oil companies have now given notice that these Agreements will come to an end on the 30th June, 1976. Various discussions and investigations are taking place with both the Government and other interested parties, concerning the future operations of our Company. These investigations will of necessity be lengthy but members will be advised as soon as any finality is reached.

In 1961 the Chairman advised Members that the new arrangements should make it possible to maintain a dividend of at least 10 per cent or 5 cents per 50 cent share per annum. In fact a dividend of 15 per cent or 7½ cents has been paid regularly but recently only at the expense of withdrawals from previously unappropriated profits. Your Board has decided that it is now prudent to reduce the dividend until we have a clearer idea of our future and the capital expenditure requirements.

By Order of the Board,

ANGLO-TRANSVAAL TRUSTEES LIMITED.

London Secretaries.

F. G. T. Jones, Secretary.

Registered Office: Anglovaal House, 56 Main Street, Johannesburg.

25th August 1971.

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Air Chartering

FINANCIAL TIMES
SURVEY

The Business and Light
Aviation Show opens
at Cranfield Aerodrome
on September 1

Expansion has dramatic results

By MICHAEL DONNE, Aerospace Correspondent

The chartering of aircraft for "charters"—the carriage of passengers by air at very low rates, either on direct hirings or by chartering of aircraft by clubs and affinity groups, or on inclusive-tour packages—has expanded rapidly in recent years, and now constitutes a major source of revenue for many aircraft owners and operators. The precise extent of this expansion is difficult to determine, as the volume of chartering is not recorded in the public eye. What is certain is that the volume of "charter" business must run into

many millions of pounds a year. These various aspects of the overall air chartering and business aircraft situation in this country to-day are discussed in more detail elsewhere in this survey, but certain broad trends which have emerged in recent years deserve particular comment. First, and particularly prominent in the public eye at this moment in time, is the way in which the growth of the

passenger charter and inclusive-tour "package" holiday business has helped to generate a greater public awareness of the benefits of low-cost air travel. This is already forcing the scheduled airlines to rethink their own fares policies. It is a fact that, some years ago, the scheduled airlines were not so much as to possibility of charter and inclusive-tour—often more generally referred to as "non-scheduled"—aviation even-ally forcing the pace in civil air transport would have been dismissed as fanciful by many in the industry. Yet to-day this is precisely what is happening, and it is likely to continue for some time to come. When a passenger can fly between London and New York on a charter or between Birmingham and Palma on an inclusive tour, at a substantially lower price than the normal scheduled fare, then he is entitled to ask why the scheduled airlines cannot charge lower fares. For a long time, these questions have been asked, and for almost as long the scheduled airlines have been able to argue that the non-scheduled operators flew under a totally different system, were not subjected to the same rigid adherence to time-tables, and could operate at nearly 100 per cent. load factors, and so on, thus being able to charge lower fares.

validity of most of these arguments, but it has now been accepted by the scheduled airline industry that they have the worn rather thin, and that they can no longer ignore the mounting public pressures upon them for reductions in their own rates. These cuts do not necessarily have to be such as to match completely those being offered by charter operators for, after all, the passenger on a scheduled service, or "individually ticketed service," as it is sometimes called, does have a greater freedom and flexibility of movement which the charter, or inclusive tour passenger, strictly bound by the regulations governing his particular flight, does not enjoy.

Scheduled fares

Thus some differential in favour of scheduled fares is not only permissible but also to some extent desirable. But there can be no doubt at all that the scheduled airlines do wish to stimulate renewed traffic through the mass travel era, and make the break-through to the mass travel era. Their own fares down—and this despite the admittedly severe pressures on them in other directions from rising costs.

What happens on the North Atlantic is significant in that it tends to be a precursor of what follows on other routes in different parts of the world, notably in Western Europe. There seems to be no doubt that most of the scheduled passengers on European services are already asking why, if inclusive-tour rates can be so low, recent weeks at the inter-scheduled service fares must be so high, and why it is that

inclusive-tour passengers can often fly in the same aircraft as other passengers who have paid the full scheduled fare. Success on the North Atlantic in getting the fares down, with or without the emergence of an "open rate" situation, seems almost certain to be followed by pressures from the public for some kind of similar action in Western Europe in the not too distant future.

In this way, the growth of charter operations in the passenger field is virtually dictating a fundamental change in emphasis in the whole structure of passenger air transport. To a certain extent, a similar situation is emerging in the cargo field, where the ad hoc chartering of aircraft for freight carriage over many years has led to the development of a number of regularly-scheduled air cargo services. But so far, these services are small in number and it would seem that for the immediate future the emphasis in the world air cargo field will continue to be on the ad hoc chartering system through the Baltic Exchange, and also on the carriage of freight items of low volume but comparatively high value in the cargo holds of aircraft primarily engaged in passenger transport. A number of independent airlines in this country have built up substantial and lucrative businesses in all-cargo operations, notably Tradewinds and Transmeridian, for example, while nearly every other major independent airline in Britain finds a substantial proportion of its revenue from cargo carriage of one kind or another. Throughout the period immediately ahead, the expansion of cargo will involve its own problems, not least the need for some kind of major world-wide industrial education campaign to stimulate a much greater awareness of the role of air cargo in the overall industrial and business pattern. Far too often the use of aircraft is regarded by industrialists as an alternative, rather than the principal or even sole means of the distribution of goods.

Wide range
To this extent, this year's Business and Light Aviation Show, which is being held at Cranfield Aerodrome, Bedfordshire, from September 1 to 5, is a significant event. The aim of this exhibition, which will not only feature a wide range of aircraft in the air and on the ground, but also a series of seminars aimed at stimulating the greater use of aviation by the businessman and industrialist, is intended to encourage business and light aviation in all its forms. In particular, there will be a number of presentations by businessmen who have themselves benefited from the use of company-owned or chartered aircraft, and who are enthusiastically determined to spread this gospel as widely as possible. This show is sponsored by "Flight International," the aeronautical journal, in association with the British Light Aviation Centre, the Business Aircraft Users' Association, the General Aviation Safety Committee, the Guild of Air Pilots and Air Navigators, and the Society of Licensed Aircraft Engineers and Technologists. The show, which will comprise the highest range of light and general aircraft and equipment yet assembled at a British general aviation exhibition, will be open from 10 a.m. to 6 p.m. daily, with tickets available at the gate at £2 each, or at £1 each by prior application to "Flight International." For the businessman who is interested in furthering his understanding of the concept of aviation as a tool of management, the Cranfield show is something he would be well advised to consider visiting.

Newcomers in the cargo field

By PETER HERING, Editor, Skytrader and Marketing International

One of the most interesting recent developments to have taken place in the air cargo world is the decision of first BOAC and then this month—BEA to enter the charter arena and challenge the independent operators at their own game. For years the two Corporations have been watching from the sidelines as more and more of the cargo traffic which they have persuaded shippers to divert from traditional surface modes of transport to air has been weaned away from their scheduled services by the independent operators. Now they have decided to take the plunge, and in doing so will no doubt stir up what could develop into a no holds barred free-for-all. The two airlines have made it clear that they are determined not only to win back lost traffic, but also to corner the lion's share of whatever is going to be offered by charter operators, or even better than those, struck by the independents.

It is not only BOAC and BEA which have been hit. National carriers of most European and other countries, including the J.S., have also suffered dents in the volume of traffic normally channelled to their scheduled services, and now that the two J.K. carriers have decided to take the bull by the horns, it is more than probable that at least one of the foreign airlines will allow suit.

BOAC intends to launch its new-style operation through its recently-formed subsidiary, British Overseas Air Charter Ltd., using Boeing 707-320C aircraft as they begin to be phased out of service on certain scheduled services taken over or supplemented by 747s.

If these charter operations prove a success—and there is little doubt that they will—BOAC may well decide to withdraw at least some, if not all, of the all-cargo services it operates on scheduled routes and to carry cargo over them in a charter basis only. In his event, the only cargo likely to be carried on scheduled services would be mostly consolidated loads on pallets and in the belly containers of its 747s, and on pallets and in smaller containers carried in its passenger 707s while they continue in service. The feasibility and success of such a policy would depend, however, on the routes the airline would be able to obtain from the Air Transport Licensing Board and, from next year, from the new Civil Aviation Authority which will be taking over the responsibilities for route licensing from the ATLB.

Different way

BEA is mounting its operation in the charter field in a totally different way. Instead of making use of the charter company it set up some time back of BOAC to take it into the charter business, it has formed a separate charter section within its cargo division, and will be using the same merchantman aircraft (passenger Vanguard converted as freighters) as it operates on its extensive all-cargo scheduled services on short- and medium-haul routes. As these all-cargo services operate almost exclusively during the early evening and at night, BEA's merchantman fleet—currently comprising eight aircraft—spends most of the daylight hours sitting on the ground inoperative. The airline has now decided to make these aircraft earn their keep by putting them out to charter during daylight hours. It has already started to do so and so far has met with considerable success. So much so, in fact, that it has estimated it can earn an additional £500,000 from these char-

ters during their first year of operation. The entry of the two national carriers into the charter business will inevitably affect the independent operators, who have for so long had the field to themselves. The biggest challenge to their operations will come from the well-established and highly geared sales and marketing network which the two corporations have in existence throughout the world.

The independents have no counterpart, either individually or collectively. They rely for the greater part of their traffic almost entirely on inquiries reaching them through the Baltic Exchange. Few of them maintain more than a small skeleton sales staff who, in the main, conduct their business over the telephone from their offices. Some of the independents, however, prefer to leave their sales activities in the hands of "charter" brokers, whom they have appointed as general sales agents, but this procedure has not proved altogether successful and is inclined to create problems as well as friction—usually over divided loyalties that can arise when a broker happens to be acting in a similar capacity for more than one carrier, as is often the case.

Forwarding agents

In addition to these sources, an increasing amount of traffic is now being passed to the independent charter companies by the freight forwarding agents, who until comparatively recently have been a little chary of using their services. To some extent their hesitancy has been influenced by IATA rules and regulations affecting the licences under which they may operate as sales agents of the scheduled carriers. Strictly speaking, an IATA-approved forwarder is not permitted to ship goods with an independent operator, unless they cannot be carried on a scheduled service or unless there is no scheduled service to the destination. But the forwarders have found ways of getting round the rules, and many of them are now using the independents on an increasing scale. Some of the bigger forwarders have recently set up special departments, staffed by experts in the business, to deal exclusively with charter activities. This new interest has been triggered off by two factors: a much greater awareness on the part of shippers of the savings they can effect in shipping and ground handling charges—which the IATA carriers keep increasing—and the split charters offered by the independents, enabling four and sometimes more shippers to share the same aircraft provided each can rustle up a minimum load of 1,000 kilograms (roughly a ton).

It is the split charter business above all that has really irked the scheduled carriers, and cut into their traffic. They maintain, also, that it is the direct cause of abuses of the charter regulations prescribed by the ATLB in granting licences to the independents which are practised by both forwarders and the operators, and which they are powerless to combat. For example, some forwarders have been tempted to make up a split charter load of a ton with a consolidation, which is a load comprising a large number of small consignments from a multitude of shippers. This is a flagrant breach of the regulations, but both the forwarder and the charter operators regularly take the risk, knowing that the chances of being discovered are remote. Even without any sales organisation of their own, the independents have been remarkably successful in the volume of traffic they have attracted to themselves during the past two

or three years. During a three-month period earlier this year, for example, the U.K.-based charter companies between them carried 17,987 tons in and out of the country, according to the latest figures available from the Department of Trade and Industry. This compared with 40,176 tons carried jointly by BOAC and BEA. Admittedly, the figures are not as impressive as some that have been attained, but they must be viewed against a background of one of the worst air traffic recessions the industry has ever experienced. The tonnage of the independents showed a drop of 18.1 per cent. compared with the same period last year, and that of the two corporations a decrease of nearly 10 per cent. The actual tonnages carried by each operator would be interesting to know, but since only the corporations are required by the DTI to make traffic returns, the independents' figures are kept close to their chests. The only figures they do disclose are the hours they fly and the stage flights they perform. These show that of the two independents who concentrate exclusively on cargo charters—Tradewinds and Transmeridian—Tradewinds appears to be in greater demand. This is really not surprising since it is partly owned by the quasi-Government organisation, the Crown Agents, who act as U.K. financial and purchasing agents for some 80 overseas governments and local authorities and are responsible, among other things, for making the shipping arrangements for commodities of all parts of the world. Last year, the Crown Agents shipped more than 2,000 tons—twice the tonnage of the previous year—on chartered aircraft, mostly operated by Tradewinds. An operator with an assured traffic flow such as this can almost sit back and view the future through rose-tinted spectacles.

Transmeridian, on the other hand, cannot afford to be quite so complacent. It is a dynamic airline in whose operation its owner, Mike Keegan, takes a very active part and is always thinking up innovations. His latest is a service, started this month, between the U.K. and Freeport and Nassau in the Bahamas, a catboat route outside the rates jurisdiction of IATA. On this service cargo is flown to Freeport, for example, and then ferried over the 40-mile stretch of sea to Florida where it is either trucked or flown on U.S. domestic air services to any part of America. With Transmeridian backing up the service with a guaranteed 36 hours delivery, door-to-door, at rates claimed to be 50 per cent. below the general cargo rate and 25 per cent. below the lowest commodity rates, the attraction to shippers not only in the U.K. but also in the U.S., could be very great. It offers the additional attraction of by-passing the dreaded J. F. Kennedy airport at New York and other gateway airports where over-saturation of traffic handling facilities brought in by the scheduled airlines causes interminable delays in getting goods through Customs and delivered to consignees.

With the independent cargo carriers offering rates and services of this order, it is hardly surprising that the IATA scheduled carriers are suffering loss of traffic. In the opinion of many of the big forwarders specialising in air shipping, the IATA airlines are well on the way to pricing themselves out of the market. After October, when the new upward rate structure on almost all world routes comes into effect, they are likely to feel the pinch even more.

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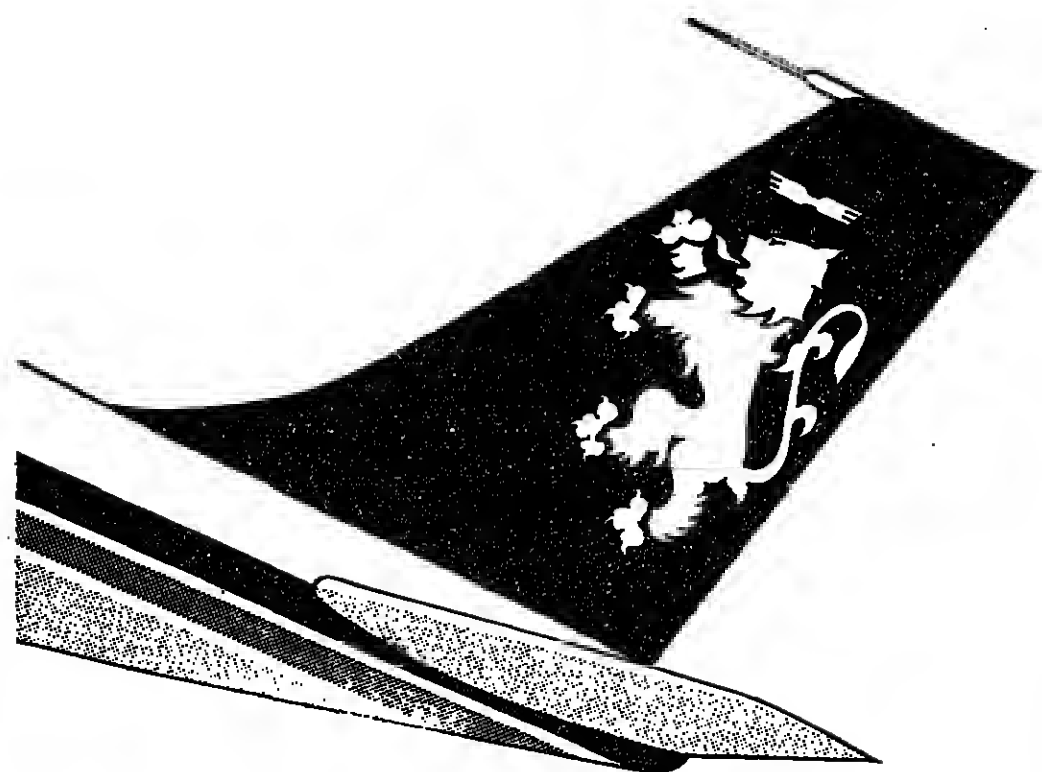


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AIR CHARTERING II

Role of the helicopter

By GEORGE RUSSELL FRY,
Managing Director, Bristow Helicopters Ltd.

Recognition of the true potential of the helicopter was for a very long time greatly limited. This was largely because of lack of knowledge of its capabilities and, possibly, misconceptions regarding its cost and flight safety characteristics. The position began to change in the 1950s under the influence of the oil industry, which found that helicopters were essential for efficient jungle and desert survey and for servicing offshore drilling rigs. These years were a testing time for helicopter operators and those who then proved themselves to be sufficiently tough, competent and dedicated to meet the demands of the oil industry are the world leaders of helicopter business to-day.

The major step forward was the application of the turbine engine to helicopters during the 1960s. This gave greater speed and payload with more reliability and it commenced the breakthrough into many new roles outside the oil industry which will be a feature of the progress of helicopters through the 1970s.

The oil industry will unquestionably continue to make increasing demands on the helicopter world for a long time. Experts agree that world oil consumption is growing faster than the supply available from known sources of production. This means an ever greater need for exploration for many years to come and in this helicopters will play a vital part.

Helicopters have already proved their versatility and potential in other fields which include mineral mining survey and production support, fire-fighting, oil-slick and fish spotting, pest control, fertilizer application, aerial crane work, movement of construction units and materials, power-line and motorway survey and inspection, police, coastguard and customs support, ship servicing, executive transport, game reserve surveillance and film, advertising, publicity and news services.

Trinity House has been using a 16-seater twin-turbine Westland Wessex for lighthouse and lightship relief for 18 months. Many difficulties have been overcome as a result and Trinity House have found great enthusiasm for the reliability of the service among their staff. New projects such as this are regularly appearing.

Executive transport is a case

in which impressive growth is expected during the next decade. So far, it is comparatively undeveloped in the U.K., although even here movements at the London Westland Helicopter rose from 4,087 in 1965 to 6,884 in 1970, and 1971 is beating previous records. As the tide of congestion and frustration on the ground rises, senior executives will look more to the speed and smoothness of the modern light turbine helicopter. Strangely, too, the significance of cost is diminishing. Helicopters are expensive and costs have been rising, but this rise has been more restrained than for other transport and the reduction in differential has greatly widened the area of interest.

External sources

Much growth in the 1970s will generate from external sources such as general impatience with surface travel, the increasing significance of time-cost factors in the movement of persons and materials and further reductions in the cost differential between helicopters and other transport. Much will come from the industry itself. Production of large twin-engine helicopters in the 1960s supported the boost given by the turbine engine. The advent of a smaller all-weather twin engine aircraft offering four to eight passenger seats will give further impetus and aircraft of this type are well on the way. Britain has a possible contender for the market in the Cierva LTH, for which the designers hope to obtain certification in 1972. This is pilot-plus-four twin and if it can be certificated and produced within a reasonable time-scale to the specification and cost level planned could do extremely well.

Apart from such developments, operators will continue to improve techniques in all-weather flight and serviceability, and in providing a wider range of ancillary services, resulting in less call upon customers for programming or logistic effort. Reduction of noise is receiving a great deal of attention by manufacturers and in many ways the helicopter configuration offers more scope than fixed-wing aircraft in this direction. Studies have been made upon the design of main rotor blades and upon

methods of installing engines, and dramatic reductions in noise emission have been reported.

When the future of helicopters is discussed, the question of scheduled passenger transport always arises. So far, services of this nature have only been viable in special circumstances because of the difficulty of bringing the seat-mile cost of a suitable helicopter within the fare level which a passenger is prepared to pay. A new concept of aircraft design is required for this purpose and several designs are being evaluated. Some are conventional helicopters incorporating fixed-wing type engines, which by off-loading the rotor in forward flight enable higher cruise speeds to be attained. Others achieve the same result by tilting a normal wing to near vertical for take-off and landing.

For any type, it will be necessary to achieve upwards of 80 passenger seats, a cruise speed above 250 knots, a take-off and landing noise level acceptable for operation into urban areas, and operating costs not significantly higher than conventional aircraft of similar seating capacity. Aircraft such as these would be used upon feeder services to major airports, and for short and medium range city centre-to-centre travel. There is no doubt that demand for this type of service exists and will increase as the problems of siting airports grow.

Closer contact

Sooner rather than later manufacturers must establish closer contact with major helicopter operators concerning these developments, which undoubtedly offer stimulating future possibilities to both sides of the industry.

At a time when general aviation is encountering severe economic problems it is refreshing to be able to point to a section where prospects of profitable growth are extremely good and this can certainly be said of the helicopter industry to-day. Much effort will continue to be required from manufacturers and from operators. Given this, the industry can look to oil exploration to provide basic support, to other existing civil uses for steady growth and to a continually expanding adaptation of helicopters to new spheres of activity for a valuable additional bonus.

Business flying

By DAVID ANTROBUS, Managing Director, Northern Executive Aviation

Business air taxi operations continue to boom—at a time when scheduled airlines are suffering from a scarcity of business traffic. BOAC Chairman, Mr. Keith Granville, recently said that where firms had been sending two men before, they were now sending one. Where they had been sending one, they were now using the telephone.

As scheduled aircraft continue to take off with many empty seats, airline chiefs cannot but agree with this statement. In spite of busy summer trade, business traffic provides the backbone of most scheduled operations. Yet a survey of the activities of members of the Air Taxi Operators' Association in different parts of the country shows that during 1970 passengers carried increased by anything between 20 and almost 50 per cent. Statistics for the first half of 1971 and projections for the remainder of the year continue the rising graph. Another fact of considerable significance is that companies both within and without the Association are adding to their fleet strength. For example, Cabair, of Heathrow, is operating three Piper aircraft in 1971 against two last year. Managing Director Colin Heathcote has also this year extended his activities by acquiring London Aviation, retaining the name and Epsom base.

Truman Aviation, based at Nottingham, recently added a second Piper Twin Comanche to their fleet, and Northern Executive Aviation, based at Manchester, are now operating four Piper Aztecs, one Twin Comanche and a Britten-Norman Islander. The Islander, which came into full operation at the end of last year, increased passenger capacity by one third.

McAlpine Aviation, based at Luton, increased their jet aircraft availability in March, with the addition of a third 500 m.p.h. HS 125. The company operates three HS 125 jets, two being available for charter flying for half their total flying hours. McAlpine's fleet consists of three jets and 12 twin-engine aircraft. Two aircraft are based at Yeovil, Dorset.

Does all this indicate that businessmen are turning to air taxi charter in preference to scheduled airline flights? The answer is no. The airlines and the air taxi operators provide complementary services to meet the needs of the business air passenger market. Where scheduled services are provided to convenient timings and appropriate destinations in Britain and Europe businessmen continue to use them.

Saving time

The managing director of a cable manufacturing company—a relatively new convert to air taxi charter—had just returned to his desk from a

scheduled Amsterdam-Manchester flight, when he commented: "I use air taxis to save time. If there is a convenient scheduled flight, fine. If not, air taxis are great time savers." During a recent six-week period this busy industrialist used NEA air taxis for flights from Manchester to Bristol, Bournemouth, London and Belgium.

Much of the increase registered by Air Taxi Operators' Association members stems from companies using this method of transport for the first time.

Mr. Eric Thurston, managing director of Thurston Aviation, based at Stapleford Tawney, Essex, who is President of the Association, commented: "This is certainly true of my company and I know it is of others. It is awareness by businessmen of the economic and other advantages of properly-used air taxi services. It also demonstrates an appreciation of the high standards of operation, maintenance and safety provided by

Continued on next page

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AIR CHARTERING III

Independents face problems

By HUGH COLVER

Charter airlines are currently in the centre of an upheaval which involves not only the traditional arguments from the scheduled airlines concerning shares of traffic, but also the tour operators, who are resisting efforts by the charter airlines to raise their rates. It is no coincidence that these problems arise at a time of world-wide recession in aviation, and certainly the most vulnerable sector involved is that of the independent airlines, some of whom are facing severe financial problems.

The scheduled airlines are trying to establish new fares for the North Atlantic run aimed specifically at taking some of the passengers at present carried on charter flights. Some of these scheduled airlines go so far as to say that charter airlines should simply not be allowed to operate on intercontinental routes on the grounds that they attract no new traffic but simply take it away from the scheduled services. Charter airlines deny this, pointing out that the vast majority of charter airline passengers could not afford to travel at scheduled service rates.

Drop in fares

If there is a full-scale price war one group of people will certainly gain—the passengers—because fares will undoubtedly come down on a number of routes. There are likely to be more airlines offering really cheap journeys—like the £5 to Paris by Skyways International and the Laker Airways proposed single fare to the U.S. of £37.50.

However, the present state of upheaval goes further than price warring. The possibilities of restriction on the development of Gatwick would certainly have a detrimental effect on independents such as Caledonian-BUA, which accounts for over half the airport's revenue and badly wants continued development there. Indications of the feeling that there is a need for a united front in the charter business includes the recent formation of the International Air Charter Association, which has said it is particularly concerned about what it calls "restrictions on passengers". Lloyd International, a British independent airline, is proposing that airlines and travel agents set up their own travel clubs in an effort to regulate the air charter market. At the same time, the Government is considering the introduction of a code of practice or group charter flights.

So the independent charter airlines face a period of challenge and change, and some face a fight for their lives. In the light of all this, how do they stand at present, and just how significant a group are they in the field of world air travel? Taking U.K. movements as an example, during 1970 the total number of passengers picked up or set down at U.K. airports was 11,606,455. This figure covers the airports that report figures to the Board of Trade—all the major ones and most of the smaller ones. Of this figure, charter flights, in or out, accounted for 7,499,387 passengers. Of this charter total, BOAC and BEA carried 608,780, foreign airlines 1,283,774 and the U.K. independents 5,606,833. So charter flights of one sort or another account for slightly less than a quarter of all U.K. passenger movements, and U.K.

independents have by far the largest share of those charter operations. The independents are therefore a large force to be reckoned with.

Caledonian-BUA, an amalgamation of two of the largest independents, is a major part of this force. Although this Gatwick-based company has a firm foothold in scheduled services in accordance with Government policy, about half of its traffic is on charter work and this side of the business is growing faster than scheduled business. The airline has 20 BAC One-Elevens, eight Boeing 707s and four VC-10s in an all-jet fleet. Freight is an important part of their business and they expect to carry over 20,000 tons this year. Most of this is carried on passenger flights, though they do operate an all-cargo 707 both on scheduled services to the African continent and on "one-off" freight charters.

The passenger side of their charter business is divided into three main areas. The largest of these is the inclusive tour operation, which takes their aircraft mostly to the European-Mediterranean holiday resorts, but also to the Far East, North America and the Caribbean. Second in importance are the affinity group charter operations, mainly involving the North Atlantic routes on which the Caledonian-BUA dominates the charter market (over 250,000 passengers in 1970). Third in terms of volume comes what is called the "ad hoc" charter. This is the "one-off" operation involving the movement of a ship's crew, a film company, an opera group or an orchestra—indeed, anyone who rings up and wants to move a certain number of people to a certain place for some purpose and does not wish to use scheduled services for reasons of convenience or economy, though it is only cheaper if the numbers involved are high.

Package tours

Another independent that does most of its business in package tours is Dan Air. Also based at Gatwick, this airline operates 11 Comets, four One-Elevens, a 707, a Nord 262, an Ambassador and an HS 748. Although Dan Air are involved in operating scheduled services, this side of the business has grown only slightly in the last five years. In contrast, whereas they carried 100,000 people on charter flights in 1966, they carried 631,000 in 1970. Charter flying, particularly package tours, is now very much their main line—scheduled service passengers numbered only 40,000 in 1970.

Luton Airport is a major centre for the charter business in the U.K., and among the notable operators who base their operations there is Court Line, which runs ten One-Elevens. This airline has carried its present name since 1968, but began life as Airtair, which was purchased by the present owners in 1966. Court Line is a pure charter airline, operating mainly in the inclusive tour market through contracts with such companies as Clarksons. Apart from that they do ad hoc work and some affinity group charters, but carry no freight. Growth has been quite considerable in terms of passengers carried. From carrying over 1m. in 1969, they carried 900,000 in 1970 and expect to carry well over a million in 1971, probably

reaching the seven figure mark in October.

Britannia Airways is another Luton based operator. Again, this is a pure charter operation and their contracts include charters for the British Army of the Rhine. They are also in the inclusive tour, ad hoc and affinity group business and operate eight Boeing 737s and a 707. A second 707 will be delivered soon. Two of the 737s and the 707 can be quickly converted for freight charter work. Lord Thomson bought the airline in 1965 and it is now one of the largest charter operators.

Limited amount

Monarch, with three 707s and seven Britannia aircraft, is also based at Luton and also specialises in the inclusive tour market with some ad hoc work and a limited amount of freight traffic. Monarch have been operating since 1968.

Laker Airways, well known for their North Atlantic affinity group charter operations, started in 1966 with two Britannias. Now, with their base at Gatwick, five One-Elevens and two 707s, they concentrate on the inclusive tour market and are particularly well placed since they have their own tour operators within the organisation. Apart from the North Atlantic run, most of the traffic is to the Mediterranean and European holiday places. Traffic has grown from 125,520 passengers in 1967 to an expected 450,000 in 1971.

Also prominent on the North Atlantic affinity group charter front is Donaldson International Airways, based at Gatwick. They have two Britannias and three 707s (one at present on lease to another airline) with an option on a fourth. They also do ad hoc charter and carry package tour traffic, and one of the 707s is quickly convertible for freight, as is one of the Britannias. Donaldson began in the spring of 1969, carried 100,000 passengers last year and expect to carry 175,000 this year.

Since they have gained fame with their £5 to Paris offer, Skyways International should be mentioned. This airline, which does some charter business as well as its scheduled services, started operating just after the war, became Skyways Coach Air in 1952 and now under the new name flies four HS 748s.

As can be seen from the records of this collection of independent airlines, the charter business has grown and is still growing, particularly in the inclusive package tour and affinity group charter fields. All the airlines mentioned, large or small, are carrying more and more passengers, and in some cases freight every year. Their problems are not centred round any lack of traffic. As with airlines the world over, scheduled or non-scheduled, public-owned or independent, profitability is the elusive factor.

Inclination made Mr. X a charter operator: we made him happy.



How? Easy. We built the F28. A sophisticated twin engine jet with a 65 seat capacity, also economical with a more than 1000 n.m. range, and capable of operating from secondary airports.

Able to do with a minimum of maintenance in spite of high utilisation.

Carrying its own ground support with it. An aircraft so well designed for its job that the break-even point for direct operating cost is only a handful of passengers. All that helped Mr. X stay a profitable charter operator.

Then the F28 helped some more. By being flexible enough to carry cargo when the passengers weren't

travelling. And well enough designed with a large cargo door to transform quickly from passenger configuration to freighter.

And vice versa. Doubling the utilisation. And paying back Mr. X's investment even faster. Even though the purchase price could, modestly, be described as moderate.

It made him almost as rich as he is happy.

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F28

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DAN-AIR the plane facts

DAN-AIR HISTORY

We've been carrying passengers since our first flights started in 1953—graduating from D.C.3's to modern jets in the process.

DAN-AIR PERSONNEL

In all we have 1,500 personnel, from aircrew to administration, working on your behalf to make your journey safe and comfortable. This includes 490 engineering and maintenance staff, of whom 390 are based at our Hampshire engineering works where our aircraft are serviced to the high standard laid down by the Air Registration Board.

DAN-AIR PASSENGERS

Last year we carried over 600,000 passengers. Now, with the introduction of trans-Atlantic flights, a total of a million passengers will be carried during 1971 alone.

DAN-AIR LINK-CITY SERVICE

For businessmen, our five day Link-City service (Monday to Friday) is an invaluable means of keeping important deadlines and vital appointments. Links like Leeds — Glasgow — Leeds, or Newcastle — Liverpool — Manchester — Bristol and Cardiff, or Liverpool — Amsterdam or Newcastle — Norway.

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Our fleet of aircraft will consist of two 189 seat Boeing 707's, twelve 106 seat Comet IV's, five 89 seat BAC 1-11's, one 44 seat Hawker Siddeley 748 and one 29 seat Nord 262.

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In the field of air charter Dan-Air makes no distinction: large party or small, our entire fleet of 21 modern aircraft will be at your disposal. Always.

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Business

— (Cont'd.)

Continued from previous page

leading companies." The upward trend of air taxi operations has been registered during a difficult period for industry as a whole. Companies have been—and are—keeping a watchful eye on expenditure of all kinds. In the main, absolute necessity has been the yardstick controlling spending.

Under these circumstances, say the Association, a picture of growth and increased aircraft utilisation underlines the importance of the part which executive air taxi services have to play in the development and expansion of industry and commerce.

Home market

Moves towards the Common Market—a "home market" of no fewer than 300m. people—are also creating a situation of considerable advantage to air taxi operators, and the Association is already registering a significant upsurge in air taxi charters to continental countries.

On cost evaluation, the twin-engine 200-mph aircraft operated by Association members can compare favourably with the cost-per-mile expense

of a car. For example, a five-passenger Piper Aztec works out to just over 4p per passenger per mile when all seats are occupied. The nine-passenger Islander approximates 3p per passenger per mile.

To-day there are seven member companies in the ATOA—Cabair Ltd. of Heathrow; Executive Air Ltd. of Coventry; London Aviation Ltd. of Elstree; Northern Executive Aviation Ltd. of Manchester; Peters Aviation Ltd. of Norwich; Truman Aviation Ltd. of Nottingham; and Thurston Aviation Ltd. of Stapleford, Tawney. Applications from three other companies are under consideration, and steps are being taken to extend further the scope and membership of the Association.

The ATOA has Air Taxi Plan agreements with British European Airways, Air France, Middle East Airlines, Scandinavian Airlines, Swissair and TAP, with a further agreement under negotiation. Under these agreements twin-engine air taxis for onward flights can be booked with the airlines at the time of reserving the scheduled flight—up to bringing passengers from a remote point for a scheduled airline departure.

WALL STREET OVERSEAS MARKETS MONEY + EXCHANGES

Profit-taking checks advance 4.2 Small assistance

BY OUR WALL STREET CORRESPONDENT

PROFIT-TAKING slowed the advance on Wall Street today, but most issues still managed to finish up in the day in active trading.

After the first hour the Dow Jones Industrial Average was up another 8.55 to 912.65, but the average slowly dwindled to 908.37, for a net rise of 4.24. The Transportation Index further improved 1.14 to 242.32, while the NYSE All Common Index firmed 4 cents to 555.45. Trading volume decreased 420,000 shares to 18,358m.

Advancing issues led losses by a two-to-three majority, after holding a two-to-one ratio throughout most of the session. American Blue Chips, Procter and Gamble gained 1/4 to 57.25, Alcoa 1/4 to 55.25, and Xerox 1/4 to 117.75. Union Carbide 1/4 to 44.37, Dupont 1/4 to 51.52, and Union Carbide 1/4 to 51.52.

American Telephone fell 1/4 to 43.75 and Westinghouse 1/4 to 39.75. "Glamorous" Wall Street advanced 2 1/2 to 117.75 and Xerox rose 1/4 to 118.75, but Bausch and Lomb lost 1/4 to 52.75. Avon Products shed 1/4 to 59.99 and Polaroid declined 1/4 to 59.99.

Computer issues were mixed. IBM declined 1/4 to 231.44, Control Data 1/4 to 55.99, and Software 1/4 to 52.61. Memorex 1/4 to 53.99, but Burroughs gained 1/4 to 51.52. IBM's new mainframe computer, the Model 195, was announced today, but no decision was reached.

Transportation stocks remained generally strong. Consolidated Freightways rose 1/4 to 48.75, and Transcon Lines 1/4 to 52.75. KLM improved 1/4 to 53.75.

Oil moved generally lower, with Motonut off 1/4 to 37.99, Shell 1/4 to 44.75, and Texaco 1/4 to 53.99. Gulf 1/4 to 52.99, and Standard Oil 1/4 to 52.99.

U.S. Steel put on 1/4 to 53.99 against the general downward trend in steel issues. Armco lost 1/4 to 51.99 and Bethlehem shed 1/4 to 52.99.

Steel shares ended on the expectation of adverse effects of the 10 per cent import surcharge. Martel shed 1/4 to 52.99 and Union Carbide 1/4 to 51.52.

Gold issues moved higher. Dome Mining gained 1/4 to 59.99, Campbell Red Lake 1/4 to 52.99, and American Southern Investment improved 1/4 to 53.75.

McIntyre Petroleum rose 1/4 to 53.99. Consolidated Foods rose 1/4 to 54.75, and it would sell its Chicken Delight subsidiary.

Milroy rose 1/4 to 52.99 to 52.99. It will acquire an optical company.

Byron, which was ordered to divest itself of a dental equipment company, added 1/4 to 53.75. The company said the divestiture

would not materially affect earnings. Hachette rose in Publishing House.

Foreign stocks also were mixed. Germans generally held steady. Dutch issues were hesitant, with Royal Dutch higher but Phillips lower. Mining shares moved lower, but Americans were slightly firmer.

GERMANY - Markets were slightly easier. DAX rose 0.17 to 1,000.00. Chemicals lower, and major banks also eased. In Motors and Engineering, BMW fell 0.04, Audi fell 0.02, and Volkswagen fell 0.02.

State Bonds were generally well maintained. In the foreign sector, Dollar stocks were very steady in active trading. Dutch shares fluctuated, with Royal Dutch a firm spot. Germans showed only slight variations either way.

AMSTERDAM - Plantations and Shippings were mixed. Most local industrial records moderate gains. Helio put on 1/4 to 11.50. Helianthus advanced 1/4 to 11.50. Océan Van der Grinten rose 1/4 to 11.50.

Banks edged lower. Amer. Bank rose 1/4 to 11.50. Ste. Generale rose 1/4 to 11.50. Bank of Paris rose 1/4 to 11.50. Bank of London rose 1/4 to 11.50.

State Loans improved. Royal Dutch advanced 1/4 to 11.50. In the narrow mixed international market, Royal Dutch and

STOCKHOLM - Sagging tendency. MILAN - Mixed trend in rather quiet trading. Mottledness was up 1/4 to 11.50. After trading between 8.50 and 8.75, it rose 1/4 to 8.75.

Fiat and Pirelli each gained marginally. Minile Cortina advanced 1/4 to 11.50. Lancia rose 1/4 to 11.50. Alfa Romeo rose 1/4 to 11.50. Ferrari rose 1/4 to 11.50.

Bonds were quiet. OSLO - Banks were steady. Insurance well maintained. Industrial shares slightly easier.

VIENNA - Week underdone. In foreign stocks Germans were lower but Dutch shares were well maintained.

TOKYO - Prices recovered fairly sharply on "cheap" buying, especially by overseas investors. But trading volume was limited to 100,000 shares.

Overseas Mutual Funds were placing orders from both the U.S. and Western Europe. Higher New York prices were also an important factor, but market recovery of the Tokyo Stock Market in the future, because monetary uncertainties were still present.

Petroleum, Insurance and Consumer goods were especially in good demand. AUSTRIA - Mines strengthened further in moderate trading. Steel rose 1/4 to 11.50. Best. Oils were narrowly mixed while Industrials were firmer.

Peko Walsend finished 50 cents up at 58.50, after 55.00. But uranium interest near zero. J.M. Northern Territory prospect. Pancontinental with interest nearby, rose 1/4 to 11.50.

CRA were up 1/4 to 11.50. New B.H. gained 1/4 to 11.50. Bougainville firmed 1/4 to 11.50. U.S. Steel put on 1/4 to 53.99.

Spargus put on 1/4 to 11.50. Selms improved 1/4 to 11.50. and Melkathara gained 1/4 to 11.50.

Australian Mining were 40 cents higher at 25 cents. 40 cents, on news of the group exploration's nickel assays. TC Metals were up 1/4 to 11.50.

JOHANNESBURG - Gold was generally lower, although dealers noted slight rises in selective stocks on London interest. Mining shares were quiet and little changed.

Banks and Collieries were dull. Industrials generally steady.

Bank Rate 6% (April 1, 1971). Credit was in uneven supply in the Discount market yesterday, and the authorities gave a small amount of assistance, by buying Treasury bills from the Discount houses. In some quarters, a fair supply of funds seemed to have been expected, but in the event

it appeared that revenue transfers to the Exchequer, anticipated by Government disbursements, while there was a net Treasury bill take-up to finance, and gilt-edged settlements were against the market's favour.

A rate of 3 1/2 per cent was bid for Treasury bills in the early part, and although balances were taken by about mid-day at 4 1/2 per cent, late deals were done at 4 1/2 per cent, with final balances not always easy to find.

In the inter-bank market, negotiations centred on about 3 1/2 per cent, but hardened over the day, rising sharply in late afternoon to between 7 per cent and 8 per cent.

Table with 10 columns: Bank, Rate, and other financial data.

Local authorities' decisions, notice, other seven-day's fixed. Local rate mortgage rate, three years 7 1/2 per cent, five years 8 1/2 per cent, and seven years 9 1/2 per cent. All rates are for London. All rates are for London. All rates are for London.

Finance House Base Rate (published by the Finance House Association) 6 1/2 per cent, from August 2.

EXCHANGES AND BULLION

Sterling rose further against the U.S. dollar, to \$2.4582-4583, from \$2.4552-4553 at the close of the previous evening. The dollar also lost ground against most leading Continental currencies, with the reports of contents of the International Monetary Fund study of exchange rates playing a part. Forward sterling was again strongly in demand, and was at a premium against the dollar for periods of one month up to about 100 points. The one-month forward premium improved to 100 to 110 points, the 3-month to 110 to 120 points, and the 6-month to 120 to 130 points.

AUSTRALIA - Mines strengthened further in moderate trading. Steel rose 1/4 to 11.50. Best. Oils were narrowly mixed while Industrials were firmer.

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Banks and Collieries were dull. Industrials generally steady.

EXCHANGE CROSS-RATES

Table with 10 columns: Bank, Rate, and other financial data.

Local authorities' decisions, notice, other seven-day's fixed. Local rate mortgage rate, three years 7 1/2 per cent, five years 8 1/2 per cent, and seven years 9 1/2 per cent. All rates are for London. All rates are for London. All rates are for London.

Finance House Base Rate (published by the Finance House Association) 6 1/2 per cent, from August 2.

EURO-CURRENCY INTEREST RATES

Table with 10 columns: Bank, Rate, and other financial data.

Local authorities' decisions, notice, other seven-day's fixed. Local rate mortgage rate, three years 7 1/2 per cent, five years 8 1/2 per cent, and seven years 9 1/2 per cent. All rates are for London. All rates are for London. All rates are for London.

Finance House Base Rate (published by the Finance House Association) 6 1/2 per cent, from August 2.

FORWARD RATES

Table with 10 columns: Bank, Rate, and other financial data.

Local authorities' decisions, notice, other seven-day's fixed. Local rate mortgage rate, three years 7 1/2 per cent, five years 8 1/2 per cent, and seven years 9 1/2 per cent. All rates are for London. All rates are for London. All rates are for London.

Finance House Base Rate (published by the Finance House Association) 6 1/2 per cent, from August 2.

OVERSEAS SHARE INFORMATION

Large table with multiple columns: Stock, Price, Change, etc. for various international markets including New York, London, Amsterdam, Tokyo, etc.

STOCK EXCHANGE REPORT

Leaders steady but good features in second-line issues

Index up 1.4 at 419.2—Gilt at a peak but Golds down again

ACCOUNT DEALING DATES

Option
First Declared Last Account
Dealings Dates Day
Aug. 9 Aug. 19 Aug. 30 Sept. 1
Aug. 23 Sept. 2 Sept. 3 Sept. 14
Sept. 6 Sept. 16 Sept. 17 Sept. 28

*New time dealing may take place from 5 p.m. three business days earlier.

Leading equities spent a quieter day yesterday. There was less buying and a small amount of profit-taking, but prices still managed to make little fresh headway. The Financial Times Industrial Ordinary share index closed at a new peak for the year of 419.2, up 1.4. Most of the laurels went to second-line equities, where many good features were seen. Institutions, including unit trusts, were unable to satisfy their needs owing to stock shortages in the leaders and were turning their attention to the more marketable second-line stocks and those with high yields. Even here stock was not always freely available and a certain amount of mark-up by jobbers took place.

The Government Securities index was at a new peak for the year, but the Gold Mines index was down to a new 1971 "low" of 32.0, down a point.

Bargains marked at 11.829 were higher than Tuesday's 11.821 and appreciably up on the week-ago figure of 9.318. The ratio of rises-to-falls in all F.T.-quoted Industrials, however, contracted to about 6-2 compared with nearly 4-1 the previous day.

Gilt improve again

British Funds continued in firm vein. Medium and long-dated stocks improved to end with further widespread gains of 1 and occasionally more; interest again centred chiefly on the medium. Following the previous day's late official increase in the price of the short "lap" stock Treasury 6 per cent. 1973, the

shorts made a mixed showing after a reasonable turnover. Low coupon stocks were favoured and Transport 3 per cent. 1969-73 advanced 10 1/2, but high coupon issues gave ground and ended up to 1/2 lower. Corporations were firm and active. A substantial premium was expected on the new City of Nottingham 8 per cent. 1979-80, stock when dealings start to-day.

Institutional and arbitrage buyers came forward late for investment dollars and the Japanese Eurodollar bond market, Japanese Eurodollar bonds steadied after the recent weakness, Hiltachi 6 1/2 per cent. regaining 15 points at \$US125.

In New Issues, Unittrust were good at 92p, up 7p.

Pearl react

Slightly easier immediately ahead of the interim statement, Pearl Assurance lost further ground after the news and closed 3p down at 278p. Legal and General, at 340p, were also 3p down, but Prudential hardened 2p to 340p. Among the Composites, Equitable and Law put up 3p to 278p. Taisho Marine, at 350p, picked up 30p of the recent sharp fall.

Leading Banks were quietly dull but ended a shade above the previous day. Bank of Scotland rose 1/2, while Minister Assets rose 5p more to 59p in front of the interim statement, due soon.

Although quieter Breweries saw a fairly good day's business particularly second-line issues. Vaux were outstanding with a rise of 20p at 360p, while Cairns of 40p were seen in Greenall Whitley, 164p, and Wolverhampton and Dudley, 53p. S.P. refecting the outcome of the Truman Harbury bid, Watney Mann moved up 2 1/2p more to 131p but Grand Metropolitan fell 7p to 177p.

In a thin market left Teacher 13p to the good at 253p.

Buildings continued to attract interest. Johnson-Richards were outstanding at 350p, up 18p, while gains of around 6p were seen in Robertsons, Eclair and Eclair 150p, and J. L. Kier, 160p. Initially lower at 114p before the third-quarter figures, Marley rallied

after the news to close 3p better on balance at 121p. Following the higher dividend and profits and scrip issue, Specialised Goods jumped 15p to 160p. In contrast, Sir L. Parkinson dipped 6p to 176p, while Rowland, 26p, and Dalmeida, 27p, shed 3p apiece; the last mentioned ahead of today's interim figures. Turf Construction eased 1p to 30p, still on the legal dispute over the company's Barbican contract. Housing Developments shed 1p to 3p on the result.

I.C.I. in a small business, closed 3p higher at 324p. Labour Industries met speculative demand and rose 7p to 98p, while Kingsley and Kelib, 65p, and Philblack, 126p, put on 5p and 13p respectively.

Burton Group good

Following Press comment on the plans for expansion in France, Burton Group became active. The firm's "A" rose 12p to 235p, while the Ordinary was 7p better at 237p and the warrants 3p higher at 128p. House of Fraser, 100p, was 10p up, while Rentals were 4p dearer at 86p. Combined English Stores were 4p up at 47p following Press comment, while Thomas Marshall improved similarly to 145p on the chairman's optimistic statement. Robert Kitchen Taylor were down 3p to 177p. Myson were first again at 177p. The results are expected shortly. Following the chairman's statement at the annual meeting, a good business developed in Griths Beasley, which closed 1p better at 35p. Powell Duffryn put on 5p to 143p. BTR Leyland eased 1p to 143p on the interim results.

Price changes in leading Industrials were generally limited at 182p, down 4p, but other notable changes were usually in holders' favour. After Tuesday's rise, 10p, the "A" rose 12p to 235p, while the Ordinary was 7p better at 237p and the warrants 3p higher at 128p. House of Fraser, 100p, was 10p up, while Rentals were 4p dearer at 86p. Combined English Stores were 4p up at 47p following Press comment, while Thomas Marshall improved similarly to 145p on the chairman's optimistic statement.

Leading Engineers were not quite as good as Tuesday. Investment demand was again a factor in Metal Box, up 7p more to a 1971 peak of 400p, but the remaining leaders showed small mixed gains, early to 77p on an investment recommendation, but eased later to end 1p down on the day at 77p. For a similar reason,

however, John Brown spurred 14p to 162p, while buying in a narrow market led to a 17p rise to 100p in the good Fourthly Specialised Goods, mainly in the "after-hours" trading, lifted Ransomes Sims & 145p. Edbro added 3p at 94p and Sheffield Twist 3p at 77p, after 70p. In Shipbuilders, Harland & Wolff, 140p, fell 3p to 140p following the chairman's statement.

Alfred Herbert moved down 14p to 371p, a 1p loss, news that B.S.A. had sold its 17 per cent. holding in the market came yesterday evening.

H. Brammer up

H. Brammer was a firm late feature at 175p, up 10p, on the interim results and proposed scrip issue. Demand in a restricted market left Camrex 18p to the good at 103p. While rises of around 10p were seen in Glaxo, 412p, Gestetner "A" 108p, and Office and Electronic, 110p. Shipping Industrial rose to 274p, but came back to close unaltered on balance at 268p. Following the chairman's statement, A.H. improved 2p to 102p, while J. H. H. remained steady at 268p. The results are expected shortly. Following the chairman's statement at the annual meeting, a good business developed in Griths Beasley, which closed 1p better at 35p. Powell Duffryn put on 5p to 143p. BTR Leyland eased 1p to 143p on the interim results.

On Press comment, Writbiscuits rose 8p to 55p, after 46p. Gains of 5p were seen in Bakers, 100p, and 100p, while F.M.C. added 4p more to 78p, while Cadbury Schweppes, 88p, and V. J. Lilly, 165p, put on 2p apiece. Electrical rose 1p to 110p and Louis Newmark 5p to 155p.

Simulated by the record truck and bus exports, British Leyland gained 2p to 44p in a fair business, despite the Birmingham plant closures, Lucas moved up

further to 285p before settling at 277p for a net 3p rise. Automotive Products jumped 7p to 725p on the good interim figures and statement, but Dantop eased slightly to 144p, down 2p. Garages were often firmer with T. C. Harrison 3p better at 74p. Reflecting the Chinese order for Trident jets, Hawker Siddeley gained 4p at 224p.

Properties bought

Demand for Properties expanded again despite continued dullness in Land Securities, 2p down at 184p. Central and District were 1p better at 175p in a thin market, while Oddenon's closed the same amount higher at 333p, after 340p. Argyle Securities traded up to 81p before ending with a net 10p gain at 85p on the proposed bid of 80p a share from Slater Walker. Frayfarmer House 133p, and Investment Company, 21p, gained around 4p apiece, while Hammonson "A" 505p, and U.K. Property, 205p, both improved 10p. On the late appearance of an unfavourable broker's circular, Edger Investments fell 8p to 106p.

Press comment failed to help Reed International, a shade lower at 231p. DRG eased 3p to 160p. Bowler, however, went better to close 4p higher at 172p. In News-papers, News International responded to comment on the interim figures by rising 2p to 194p.

Only a moderate turnover developed in Oils, and apart from renewed firmness in British

Petroleum, up 3p further at 605p, leading issues were little changed on the day. Reflecting U.S. advice, Royal Dutch gained another 1 point at 211. Elsewhere, Eastern and General, 45p, and Trinidad Canadian, 155p, after 157p, both rose 3p.

Small rises were in the majority in Investment Trusts. Merchants Trust had a net 10p gain on the higher half-yearly results and net asset value. Among Financials, J. H. Vasseur advanced 8p to 133p, while S. Pearson improved 3p to 225p. Deception were erratic, touching 12p then falling to 10p before ending only 1p down on balance at 110p.

Court Line lower

There was less business in Shippings yesterday, although prices were usually better where changed. Court Line opened at 143p on the Shipping Industrial Holdings bid denial and eased further to 139p before rallying to close 4p down on the day at 144p.

Textiles took on a mixed appearance. Carrington, Victoria reacted to close at the day's lowest of 33p, down 2p, on the interim results. In contrast, H. H. H. were noteworthy at 48p, up 7p, while Allied Textiles put on 5p to 52p.

In quiet Plantations, Teas were often better to a little buying in a thin market. Demand gained 2p more to 46p, while Moray were on 3p to 64p. Rubbers were barely changed.

FINANCIAL TIMES STOCK INDICES

	Aug. 25	Aug. 24	Aug. 23	Aug. 22	Aug. 21	Aug. 20
Government Securities	75.88	75.74	75.74	75.67	75.40	75.40
Gold Mines	32.0	32.0	32.0	32.0	32.0	32.0
Industrial Ordinary	419.2	417.8	417.8	409.4	405.1	402.7
Financial Ordinary	158.4	158.4	158.4	158.4	158.4	158.4
Investment Trusts	158.4	158.4	158.4	158.4	158.4	158.4
Property	158.4	158.4	158.4	158.4	158.4	158.4
Shipping	158.4	158.4	158.4	158.4	158.4	158.4
Textiles	158.4	158.4	158.4	158.4	158.4	158.4
Food	158.4	158.4	158.4	158.4	158.4	158.4
Chemicals	158.4	158.4	158.4	158.4	158.4	158.4
Metals	158.4	158.4	158.4	158.4	158.4	158.4
Automotive	158.4	158.4	158.4	158.4	158.4	158.4
Engineering	158.4	158.4	158.4	158.4	158.4	158.4
Electrical	158.4	158.4	158.4	158.4	158.4	158.4
Telecommunications	158.4	158.4	158.4	158.4	158.4	158.4
Media	158.4	158.4	158.4	158.4	158.4	158.4
Utilities	158.4	158.4	158.4	158.4	158.4	158.4
Real Estate	158.4	158.4	158.4	158.4	158.4	158.4
Insurance	158.4	158.4	158.4	158.4	158.4	158.4
Banking	158.4	158.4	158.4	158.4	158.4	158.4
Finance	158.4	158.4	158.4	158.4	158.4	158.4
Commodities	158.4	158.4	158.4	158.4	158.4	158.4
Energy	158.4	158.4	158.4	158.4	158.4	158.4
Transport	158.4	158.4	158.4	158.4	158.4	158.4
Healthcare	158.4	158.4	158.4	158.4	158.4	158.4
Technology	158.4	158.4	158.4	158.4	158.4	158.4
Consumer Goods	158.4	158.4	158.4	158.4	158.4	158.4
Food & Beverage	158.4	158.4	158.4	158.4	158.4	158.4
Alcohol & Tobacco	158.4	158.4	158.4	158.4	158.4	158.4
Pharmaceuticals	158.4	158.4	158.4	158.4	158.4	158.4
Medical Equipment	158.4	158.4	158.4	158.4	158.4	158.4
Health Services	158.4	158.4	158.4	158.4	158.4	158.4
Biotechnology	158.4	158.4	158.4	158.4	158.4	158.4
Environmental	158.4	158.4	158.4	158.4	158.4	158.4
Space & Aeronautics	158.4	158.4	158.4	158.4	158.4	158.4
Defense	158.4	158.4	158.4	158.4	158.4	158.4
Government Contractors	158.4	158.4	158.4	158.4	158.4	158.4
International	158.4	158.4	158.4	158.4	158.4	158.4
Emerging Markets	158.4	158.4	158.4	158.4	158.4	158.4
Commodities	158.4	158.4	158.4	158.4	158.4	158.4
Energy	158.4	158.4	158.4	158.4	158.4	158.4
Transport	158.4	158.4	158.4	158.4	158.4	158.4
Healthcare	158.4	158.4	158.4	158.4	158.4	158.4
Technology	158.4	158.4	158.4	158.4	158.4	158.4
Consumer Goods	158.4	158.4	158.4	158.4	158.4	158.4
Food & Beverage	158.4	158.4	158.4	158.4	158.4	158.4
Alcohol & Tobacco	158.4	158.4	158.4	158.4	158.4	158.4
Pharmaceuticals	158.4	158.4	158.4	158.4	158.4	158.4
Medical Equipment	158.4	158.4	158.4	158.4	158.4	158.4
Health Services	158.4	158.4	158.4	158.4	158.4	158.4
Biotechnology	158.4	158.4	158.4	158.4	158.4	158.4
Environmental	158.4	158.4	158.4	158.4	158.4	158.4
Space & Aeronautics	158.4	158.4	158.4	158.4	158.4	158.4
Defense	158.4	158.4	158.4	158.4	158.4	158.4
Government Contractors	158.4	158.4	158.4	158.4	158.4	158.4
International	158.4	158.4	158.4	158.4	158.4	158.4
Emerging Markets	158.4	158.4	158.4	158.4	158.4	158.4

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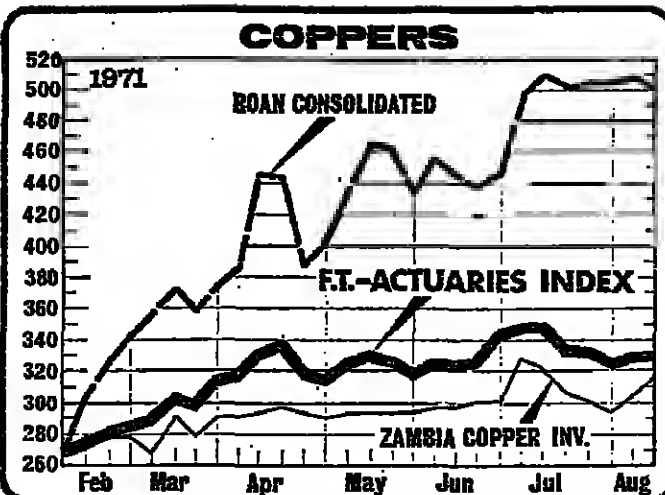
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F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and the Faculty of Actuaries in Edinburgh

EQUITY GROUPS		Wednesday, August 25, 1971		Tuesday, August 24, 1971		Monday, August 23, 1971		Friday, August 20, 1971		Thursday, August 19, 1971		Year to date (approx)		Highs and Lows Index	
GROUPS & SUB-SECTIONS		Index No.	Day's Change	Index No.	Day's Change	Index No.	Day's Change	Index No.	Day's Change	Index No.	Day's Change	Index No.	Day's Change	1971	Since completion
1. CAPITAL GOODS GROUP (184)		156.08	+0.2	156.08	+0.2	156.08	+0.2	156.08	+0.2	156.08	+0.2	156.08	+0.2	156.08	156.08
Aircraft and Components (3)		117.86	+0.7	117.86	+0.7	117.86	+0.7	117.86	+0.7	117.86	+0.7	117.86	+0.7	117.86	117.86
2. BUILDING MATERIALS (29)		156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	156.06
Contracting and Construction (19)		156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	156.06
Electrics (ex. Electr. Rad. & TV) (13)		156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	-0.2	156.06	156.06
3. ENGINEERING (80)		147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	147.77
Machine Tools (15)		147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	+0.9	147.77	147.77
Miscellaneous (25)		151.30	+1.3	151.30	+1.3	151.30	+1.3	151.30	+1.3	151.30	+1.3	151.30	+1.3	151.30	151.30
4. CONSUMER GOODS (DURABLE) GROUP (56)		178.30	+1.0	178.30	+1.0	178.30	+1.0	178.30	+1.0	178.30	+1.0	178.30	+1.0	178.30	178.30
Electronics, Radio and TV (14)		187.11	-0.8	187.11	-0.8	187.11	-0.8	187.11	-0.8	187.11	-0.8	187.11	-0.8	187.11	187.11
Household Goods (15)		188.75	+0.9	188.75	+0.9	188.75	+0.9	188.75	+0.9	188.75	+0.9	188.75	+0.9	188.75	188.75
Motors and Distributors (27)		113.30	+2.5	113.30	+2.5	113.30	+2.5	113.30	+2.5	113.30	+2.5	113.30	+2.5	113.30	113.30
5. CONSUMER GOODS (NON-DURABLE) GROUP (175)		164.97	+0.8	164.97	+0.8	164.97	+0.8	164.97	+0.8	164.97	+0.8	164.97	+0.8	164.97	164.97
Breweries (21)		158.08	+0.6	158.08	+0.6	158.08	+0.6	158.08	+0.6	158.08	+0.6	158.08	+0.6	158.08	158.08
Wines and Spirits (7)		176.40	-0.3	176.40	-0.3	176.40	-0.3	176.40	-0.3	176.40	-0.3	176.40	-0.3	176.40	176.40
Entertainment and Catering (15)		200.70	-0.4	200.70	-0.4	200.70	-0.4	200.70	-0.4	200.70	-0.4	200.70	-0.4	200.70	200.70
Food Manufacturing (24)		144.75	-0.6	144.75	-0.6	144.75	-0.6	144.75	-0.6	144.75	-0.6	144.75	-0.6	144.75	144.75
Food Retailing (17)		141.84	+1.0	141.84	+1.0	141.84	+1.0	141.84	+1.0	141.84	+1.0	141.84	+1.0	141.84	141.84
Newspapers and Publishing (15)		143.58	-0.1	143.58	-0.1	143.58	-0.1	143.58	-0.1	143.58	-0.1	143.58	-0.1	143.58	143.58
Packaging and Paper (16)		181.47	+0.4	181.47	+0.4	181.47	+0.4	181.47	+0.4	181.47	+0.4	181.47	+0.4	181.47	181.47
Stores (30)		157.96	-0.0	157.96	-0.0	157.96	-0.0	157.96	-0.0	157.96	-0.0	157.96	-0.0	157.96	157.96
Textiles (21)		177.52	+0.0	177.52	+0.0	177.52	+0.0	177.52	+0.0	177.52	+0.0	177.52	+0.0	177.52	177.52
Tobacco (3)		328.53	-0.1	328.53	-0.1	328.53	-0.1	328.53	-0.1	328.53	-0.1	328.53	-0.1	328.53	328.53
Toys and Games (6)		46.93	-	46.93	-	46.93	-	46.93	-	46.93	-	46.93	-	46.93	46.93
OTHER GROUPS		103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	103.89
Chemicals (19)		103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	+0.4	103.89	103.89
Office Equipment (10)		200.31	+2.8	200.31	+2.8	200.31	+2.8	200.31	+2.8	200.31	+2.8	200.31	+2.8	200.31	200.31
Shipping (10)		324.77	+1.2	324.77	+1.2	324.77	+1.2	324.77	+1.2	324.77	+1.2	324.77	+1.2	324.77	324.77
Miscellaneous (unclassified) (44)		186.03	+0.4	186.03	+0.4	186.03	+0.4	186.03	+0.4	186.03	+0.4	186.03	+0.4	186.03	186.03
6. INDUSTRIAL GROUP (498 SHARES)		171.12	+0.6	171.12	+0.6	171.12	+0.6	171.12	+0.6	171.12	+0.6	171.12	+0.6	171.12	171.12
Oil (2)		344.08	+0.8	344.08	+0.8	344.08	+0.8	344.08	+0.8	344.08	+0.8	344.08	+0.8	344.08	344.08
7. 500 SHARE INDEX		185.84	+0.0	185.84	+0.0	185.84	+0.0	185.84	+0.0	185.84	+0.0	185.84	+0.0	185.84	185.84
8. FINANCIAL GROUP (121)		175.83	+0.8	175.83	+0.8	175.83	+0.8	175.83	+0.8	175.83	+0.8	175.83	+0.8	175.83	175.83
Banks (6)		169.18	-0.1	169.18	-0.1	169.18	-0.1	169.18	-0.1	169.18	-0.1	169.18	-0.1	169.18	169.18
Discount Houses (6)		180.48	+0.1	180.48	+0.1	180.48	+0.1	180.48	+0.1	180.48	+0.1	180.48	+0.1	180.48	180.48
Hire Purchase (6)		274.43	+0.3	274.43	+0.3	274.43	+0.3	274.43	+0.3	274.43	+0.3	274.43	+0.3	274.43	274.43
Insurance (Life) (9)		100.28	-0.5	100.28	-0.5	100.28	-0.5	100.28	-0.5	100.28	-0.5	100.28	-0.5	100.28	100.28
Insurance (Composite) (9)		135.03	-0.1	135.03	-0.1	135.03	-0.1	135.03	-0.1	135.03	-0.1	135.03	-0.1	135.03	135.03
Insurance (Brokers) (11)		167.90	+0.7	167.90	+0.7	167.90	+0.7	167.90	+0.7	167.90	+0.7	167.90	+0.7	167.90	167.90
Investment Trusts (20)		127.28	+0.0	127.28	+0.0	127.28	+0.0	127.28	+0.0	127.28	+0.0	127.28	+0.0	127.28	127.28
Merchant Banks, Issuing Houses (14)		178.47	+0.6	178.47	+0.6	178.47	+0.6	178.47	+0.6	178.47	+0.6	178.47	+0.6	178.47	178.47
Property (31)		278.75	+0.3	278.75	+0.3	278.75	+0.3	278.75	+0.3	278.75	+0.3	278.75	+0.3	278.75	278.75
Miscellaneous (9)		173.56	+1.3	173.56	+1.3	173.56	+1.3	173.56	+1.3	173.56	+1.3	173.56	+1.3	173.56	173.56
9. ALL-SHARE INDEX (621 SHARES)		183.87	+0.6	183.87	+0.6	183.87	+0.6	183.87	+0.6	183.87	+0.6	183.87	+0.6	183.87	183.87
10. COMMODITY SHARE GROUPS (Not included in the 500 or All-Share indices)															
Rubbers (10)		213.18	-1.0	213.18	-1.0	213.18	-1.0	213.18	-1.0	213.18	-1.0	213.18	-1.0	213.18	213.18
Teas (10)		81.37	+0.4	81.37	+0.4	81.37	+0.4	81.37	+0.4	81.37	+0.4	81.37	+0.4	81.37	81.37
Coppers (4)		385.82	-0.8	385.82	-0.8	385.82	-0.8	385.82	-0.8	385.82	-0.8	385.82	-0.8	385.82	385.82
Mining Finance (11)		86.68	+0.4	86.68	+0.4	86.68	+0.4	86.68	+0.4	86.68	+0.4	86.68	+0.4	86.68	86.68
Tins (8)		72.40	-0.4	72.40	-0.4	72.40	-0.4	72.40	-0.4	72.40	-0.4	72.40	-0.4	72.40	72.40
11. FIXED INTEREST															
Consols 2½% yield			8.18		8.18		8.18		8.18		8.18		8.18		
20-yr. Govt. Stocks (6)			79.94		79.94		79.94		79.94		79.94		79.94		
20-yr. Red. Debentures & Loans (15)			73.41		73.41		73.41		73.41		73.41		73.41		
Investment Trusts Prefs. (15)			71.01		71.01		71.01		71.01		71.01		71.01		
Commercial and Indust. Prefs. (20)			73.98		73.98		73.98		73.98		73.98		73.98		



Having moved broadly in line with the price of copper this year, Copper share prices are marking time with the metal in view of the currently obscure outlook. This is partly because of production difficulties in Chile and political developments in Zambia. There are, too, the currency uncertainties arising from the latest U.S. economic measures, although the latter could revive copper demand in due course.

These charts show the pattern of an F.T. Actuaries index and of prices of two constituents converted to index numbers at weekly intervals over about six months, starting from the same base.

ACTIVE STOCKS		Prices in pence except where otherwise indicated.	
Stock	Denomina- tion	Closing price	Change
Brit. Petroleum	£1	608	+5
Imp. Chem. Inds.	£1	374	+3
Imp. Joseph	£1	374	+3
Barclays Bank	£1	374	+3
Court Line	25p	124	-4
Royal Insurance	25p	416	-2
Argyle Secs.	25p	11	+10
Metals Bank	25p	11	+10
Broken Hill Prop. Ass.	25p	11	+10
CAST	25p	11	+10
CLAS	25p	11	+10
Imports	50p	11	+10
Metals Bank	50p	11	+10
Nat. Westminster	£1	608	-4
Rank Org. "A"	25p	10	+14

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1)(c) and reproduced 10-day in Stock Exchange dealings.

Option Report and three-month "Call" rates

OPTION DEALING DATES

First Last	Deal- Decla- Settle- Ings ment	Aug. 17 Aug. 31 Nov. 11 Nov. 22
Sept. 1 Sept. 15 Nov. 25 Dec. 7		
Sept. 14 Sept. 27 Dec. 9 Dec. 21		

In quieter trading in Options, options were completed in Bab- "calls" were taken out in cock and Wilcocks, Stylo, Thorn Vickers, ICI, Hay's Wharf, Electrical "A", British Leyland "Casts", J. North, Butlerley, and Rank Organisation "A".

REGIONAL MARKETS	
The close was generally below in Stores. Combined English the best yesterday, when fur- moderate gains were scored.	
Allied Irish Bank gained 5p to 485p on the Irish Exchange, where Crowe Wilson rose 5p to 58p and General Motors 1p to 17p. But Dublin Artisan lost 5p to 170p and Jefferson Smith declined 3p to 100p.	
On the Midlands and Western SE, however, were up 2p to 16p, as were Brit. Dredging to 77p while Cadbury-Schweppes 5p and G. S. Britton 2p each added 1p. Lovell's Shipping were marked another 1p easier at 111p and Frost and Reid were lowered 2p to 130p. DRG weakened 3p to 160p and F. J. Reeves shed 1p to 32p.	
Overseas Financial rose 5p to 420p. Sovereign Securities im- proved 3p to 90p. David Smith advanced 3p to 49p. Coated Metals rose 2p to 302p and Park Hall and Hotel gained a further 3p to 197p. Smith Enterprises lost 4p to 127p. Aberthaw Cement dipped 2p to 123p, while Arana 31p and Dely 43p. Recoman Smith 50p were each 1p easier.	
Harris and Sheldon put on 4p to 71p. J. Harper were 3p better at 33p and Fordham Holdings Gann were lifted 2p to 162p on 5p and 1p-3p scrip issue. Hanson dropped 4p to 111p.	

BELFAST	
Bank of Ireland	100
Bank of Scotland	100
Bank of Ulster	100
Bank of Wales	100
Bank of England	100
Bank of America	100
Bank of France	100
Bank of Germany	100
Bank of Italy	100
Bank of Japan	100
Bank of Russia	100
Bank of Spain	100
Bank of Sweden	100
Bank of Switzerland	100
Bank of the Netherlands	100
Bank of Belgium	100
Bank of Denmark	100
Bank of Norway	100
Bank of Finland	100
Bank of Greece	100
Bank of Turkey	100
Bank of Egypt	100
Bank of India	100
Bank of China	100
Bank of Hong Kong	100
Bank of Shanghai	100
Bank of Canton	100
Bank of Hankow	100
Bank of Tientsin	100
Bank of Peking	100
Bank of Harbin	100
Bank of Manchuria	100
Bank of Korea	100
Bank of Japan	100
Bank of Russia	100
Bank of Spain	10

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The IMF seeks a new role

BY JOE ROGALY

THE UNHAPPINESS of the International Monetary Fund over these past ten days has been a sorry spectacle. It was, of course, only to be expected once President Nixon announced his new economic policy for with that single announcement he brought to an end the system that the IMF was designed to operate. From an institutional point of view the outcome is faintly pathetic.

Luxury

There, in this large expensive building in Washington, deliberately designed to look like the central bank to the whole world, sits one of the most distinguished staffs of economists that it might be possible to gather, guided and assisted by the brilliant M. Pierre-Paul Schweitzer. The thick carpets, the tasteful decorations, all the paraphernalia of security and stolidity are there—too many of them paid for incidentally, by the service charges levied on Britain during its difficult years.

Outside Washington there is a delicious country club; it constitutes perhaps the best staff canteen in the world. Officials who travel on IMF business have become accustomed to first-class air tickets, convenient routings, and comfortable accommodation when they arrive, to Washington there is never any feeling that one really ought to spare a dime for the poor fellow on an IMF salary.

For a generation now these elegant mandarins have done a useful job for the Western world. Now their purpose is unclear; their own little universe has been blasted away from beneath them. Something may be re-created in its place, but it can hardly be the same as that which they have until now enjoyed.

Perhaps what they will miss the most is the illusion of power. The arrival of the small new nations on the international stage during the past 15 years or so has been of special significance for the IMF. For although it is an international organisation whose decisions must be based upon consensus, it has nevertheless built up enough real strength and influence to enable it to sit heavily. With benign intent, on the finance ministries of the underdeveloped nations.

Loyalty

Its force has been strengthened by the attractions of working within its walls: executive directors, who are in reality the representatives of member countries (or groups of member countries) tend to feel a loyalty to the Fund as a whole, and to think and act accordingly. This phenomenon has been of great value at times when particularly delicate operations have been under way—such as the long-drawn-out negotiations towards the establishment of Special Drawing Rights.

It has even made it possible for the Fund to transmit the strength of the major lending nations in such a way as to give influence over so mighty an institution as the British Treasury, as any remittance of the Labour years will show.

Attempt

But what the IMF never could do, and certainly cannot do now, is push everyone around at the same time. Its officials would have even to hear such a phrase: they genuinely do not think like that. But the "suggestions" for new parties for almost everyone (together with outraged Fund protests) do amount to a central attempt to bring about a new order to the international payments system.

There is really no need to object to this attempt. Its success or failure will depend on individual nations, not the IMF. It is well-meant. And in view of the fact that without it there is no obvious reason for having the present kind of IMF at all, it is perfectly understandable that such a thing should be "suggested" in the first place.

NEW OFFICE FOR NFU INSURANCE

The National Farmers' Union Mutual Insurance Society is to build a new five-story office block in the corner of Barb Street and West Campbell Street, Glasgow. The £300,000 development will provide a total office floor space of 28,236 square feet, part of which will be lettable. Construction is expected to begin early next year.

THE LEX COLUMN

Marley reaps its gearing fruits

Marley's 1970-71 progress has surprised everybody—including, perhaps, itself—and the same is true of the third quarter with profits of £1.92m, pre-tax against £661,000 a year ago, when trading was already beginning to pick up from the nadir. With U.K. sales up by about 15 per cent, this represents once again a classic combination of loss elimination—in Germany—straightforward recovery—in Ireland, free from the cement strike—and operational gearing plus management reorganisation. Last year, for example, price inflexibility was a major problem with contract work representing over one-third of the flooring business and perhaps 90 per cent on roofing tiles. Now, virtually all contract work is done on a much shorter six monthly basis.

Add to this the financial gearing, accentuated by the swing from ungroupable losses to useful tax-free profits in Germany, and the upshot is attributable profits after nine months of £2.6m, against £415,000 the rise

before depreciation and interest is just 77 per cent. The year's earnings target, then, must now be something a little over 91p per share against just 2p last time. At this stage in the building cycle, and with Marley radiating confidence about the overseas possibilities and U.K. areas like extrusions and foam products, there will be few complaints with a prospective p/e of roughly 121 at 121p, against the 1971 low of 37p.

See also Page 17

Johnson Matthey

The kindest thing you can say about Johnson Matthey is that the rate of decline is easing—slightly. After quarterly profit falls of 3 per cent, 16.44 and around 57 per cent in 1970-1971, the current year starts with a first quarter drop of 42 per cent, to £1,055m, pre-tax. On the evidence of the past three quarters, and at current tax rates, annual earnings seem now to be running at a little over £2m, against the £4.7m peak of 1969-70. That JM, at 273p, is on an equity capitalisa-

tion of over £46m, speaks volumes for the market's view of its recovery prospects. Unfortunately, apart from some early signals in platinum refining, the group itself can see no evidence of a recovery in volume—and that is the key with first quarter sales down from £47.1m. to £40.3m.

See also Page 16

Automotive Products

Automotive Products has always been a tight and sensitive market and yesterday's 70p rise in the shares of 725p has to be seen in this context. Admittedly the first-half figures reaffirm the old operational gearing pattern, with profits 35 per cent, higher at £2.5m, before tax from an 8 per cent rise in sales. But AP showed something like this form in the second half of 1970; and the question is which way will work in July-December, 1971.

The recent tale from the motor component industry has been a combination of short-term working and hopeful noises

about the latter's duration. AP confirms the pattern with the news that production is currently still running below the average level of the first half year, and looks to the mini-budget for some fourth quarter stimulation. On past performance, therefore, it might be unwise to upgrade 1971 earnings prospects from last year's 54.2p a share which would leave AP, generally a low p/e stock, on an unusually high multiple of 13.4. So the market is banking on a sustained motor industry run from this autumn, and discounting Guest Keen's competitive ambitions in the original equipment clutch market.

See also Page 17

BTR Leyland

A half-time downturn followed by recovery over the year was what BTR Leyland was looking for back in June, and that is just what it is getting with profits after six months down from £1.3m, to £1.11m, pre-tax, and a forecast of maintained profits and earnings over 1971,

The U.K. is the clue to the trading pattern of both halves. Last year's stocks were on the high side anyway in the face of an 11 per cent sales drop at home, stocks have been cut by around a fifth since January. Most of the redundancy costs following a 15-20 per cent reduction in the U.K. workforce have been capitalised, but the drop in production was still a hefty drag in terms of overhead recovery.

The orders weakness was most marked, again, in hydraulic buses which have also been hit against more price competition from Daimler. But overall demand seems to have bottomed out now. Although the overseas side is ahead after six months, with group sales up by 11 per cent, the South African acquisition came in for the second half of last year. The prospects for 1972, apparently, are usefully better with rationalisation following the merger not much more than half-way through yet. So although there is no point in picking on one industry as a source of rising demand—

general mining equipment is the highest home customer with just 15 per cent of sales—there should be limited risk in a p/e of 15 at 87p.

See also Page 17

Herbert/BSA

So BSA has found tokens for its 17 per cent stake in Alfred Herbert—3.28m. "B" shares which became ordinary shares on sale. The shares were effectively placed with a number of institutions at a suitable discount. At an average price of say 50p (Herbert was down to yesterday in 55p) that would be worth £1.6m, to BSA, which, after its recent sale of Birtley Engineering would have it almost two fifths of the way to raising its target of £5m cash. As for Herbert's share price, BSA's block never represented a potential weight on the open market as the "B" shares were not freely negotiable. Nevertheless some may find reassurance in this evidence of institutional confidence in Herbert's long term future.

Shipbuilders must improve labour relations says CIR

BY MICHAEL HAND, LABOUR CORRESPONDENT

AN IMPLIED warning that failure to modernise the shipbuilding industry's labour relations system could result in other companies finding themselves in a similar plight to Upper Clyde Shipbuilders is contained in the Commission on Industrial Relations' report on the industry published yesterday. But last night, despite a plea by the Government, joint action by the employers and unions to implement the CIR proposals appeared to be unlikely at this stage.

While giving credit to both employers and unions for the progress that has been made since the Geddes report on shipbuilding was published five years ago, the CIR is still highly critical of many of the attitudes adopted by both sides.

Criticisms

The 200-page report points to high and increasing time lost through labour disputes, with days lost per man running in recent years at five times the average for all industries; in the fact that productivity has been about half that of principal competitors such as Japan and Sweden, with the gap showing no sign of closing; and to financial problems afflicting much of the industry, with some companies in recently recording big deficits and yard closures because of losses.

Among the main criticisms made in the report—the last to be undertaken by Mr. George Woodcock, former TUC general secretary, before he retired from the chairmanship of the CIR—are that management and unions too often act independently on issues of interest to both sides which they should negotiate jointly. It also blames unions for being unwilling generally to act together over pay and conditions—with the result that there are leapfrogging wage claims and battles over differentials, which frequently lead either to increased costs that companies are unable to meet, or to damaging strikes.

The report says the present state of affairs in the industry damages its competitive position and imperils jobs.

One of the main remedies suggested by the CIR in what it describes as a strategy for the next few years is that employers and unions should join together to set up joint councils representing all employees.

Mr. Leslie Blakeman, former labour relations director at Ford, who was one of the main architects of the report, said yesterday that unless attention was paid to industrial relations ships such as had been outlined by the CIR various companies in shipbuilding were likely to run into similar difficulties to those now being experienced by UCS.

Although crises such as that at UCS arose because of economic and other reasons it was difficult to dissociate completely the state of industrial relations. The CIR believed that improved industrial relations could be an important contributory factor in remedying the present severe difficulties facing the industry.

Mr. Blakeman hoped that despite the apparent apathy towards the report at present, greater interest would develop later.

Although it has not got agreement on its report with either side of the industry officially it is hoping that management and union representatives in particular companies will be prepared to discuss the proposals with the CIR. It stresses that this is the level where the main problems arise and must be tackled.

The Shipbuilders and Ship Repairers' National Association reserved its comments until today, but it is known to have been very hostile to the CIR's proposals when they were in draft form. It is believed to regard the proposed new machinery as too cumbersome and time consuming.

Commission on Industrial Relations Report No. 22, Shipbuilding and Shiprepairing, Cmd. 4756, S.O. 11.15p.

Editorial Comment Page 14

Redundancy notices for further 220 at UCS

BY ANDREW HARGRAVE, SCOTISH CORRESPONDENT

A FURTHER 220 people at Upper Clyde Shipbuilders, manual workers and staff spread over the four units of the group, will be receiving redundancy notices before the end of this week.

This makes nearly 400 redundancies by the end of the month as forecast by the liquidator, Mr. Robert C. Smith. The move is to be resisted by the shop stewards who are already paying about two-thirds of the first reb of redundant workers from their "fighting fund".

To-morrow, Mr. Archibald Kelly, the West of Scotland industrialist who has announced his intention to make a firm offer for the whole of UCS, will meet Sir John Eden, Minister for Industry, in London. He and his financial adviser, Mr. James Sharp, are expected to spell out the plans for making UCS viable in some detail.

At their first meeting on Tuesday of last week Sir John asked Mr. Kelly to "extend his

interest" beyond the Clydebank yard which was his first choice, though he stressed his preference for the Government's proposals to set up a new company based on the Govan-Linthouse complex.

Mr. Gordon Campbell, Secretary of State for Scotland, referred to the UCS situation when he opened an extension to an electronics factory at Newbridge, Midlothian, to-day. He said that the end of UCS had "never meant that any of the yards need inevitably be closed." And added that the liquidator had recently confirmed this.

If the Government's own Govan-Linthouse scheme is set up and the other yards were successfully disposed of by the liquidator, and if men moved to other jobs on Clydeside, "the unemployment caused by the sudden liquidation of UCS could be very much less than the figures which had been banded

Campbell thought both the Government's and Mr. Kelly's options were open and even complementary.

Meanwhile, UCS workers decided unanimously to-day to guarantee co-operation to Mr. Kelly.

Mr. James Airlie, chairman of the shop stewards co-ordinating committee, said after the vote at mass meetings at the Govan, Scotstoun and Clydebank divisions of UCS that the guarantee had been given on the understanding that there would be no contraction of UCS.

Our Paris Correspondent reports that the managing director of a large French shipyard, Chantiers Navals de Dunkerque, has confirmed that a mission left France for Glasgow on Tuesday to explore the possibility of some 400 UCS workers working for the French concern, in the event of widespread redundancies.

The man who wants to buy UCS Page 14

Belfast deputation tells Heath tougher measures needed

BY RICHARD EVANS, LOBBY CORRESPONDENT

A DEPUTATION from Belfast led by the Lord Mayor, Alderman Joseph Cairns, yesterday put proposals for much tougher security measures in the city when it met the Prime Minister at Chequers.

Among the suggestions put by some of the members of the deputation representing the City Council and the Chamber of Commerce were demands for the immediate imposition of martial law and night curfew.

After detailed discussions Mr. Heath promised that the suggestions would be considered, but he gave no commitment that any would be taken up.

Estimates were produced of the effect of the present disruption in financial terms, and a request was made for the initial £500,000 from Britain as aid for reconstruction to be increased immediately.

A further suggestion put to Mr. Heath was that he should visit Belfast in the near future and appear on television. He also undertook to consider this, but there was little enthusiasm for the suggestion in Downing Street last night.

Mr. John Pardoe (Liberal, North Cornwall) last night called on Opposition MPs to defy the Government's refusal to recall Parliament by staging a discussion on the Northern Ireland situation in the Commons.

without Parliament brought civil war to England," he said, "and the present one has brought us to the verge of civil war in Northern Ireland. Mr. Heath seems determined to initiate the worst features of both King Charles and Oliver Cromwell."

Mr. Pardoe urged the Labour and Liberal Parliamentary Parties to take the matter into their own hands. "They should return to Parliament with or without the Tories and conduct a searching investigation into the facts of the Northern Ireland policy, which the Government itself has refused."

A Labour back-bencher, Mr. Eric Ogden, yesterday wrote to Mr. Harold Wilson, the Opposition Leader, asking for a recall of Parliament to discuss the various issues of Ulster opinion to resolve the present political deadlock.

Ford Geddes to be P & O chairman

By Ray Daffer

THE BOARD of Peninsular and Oriental Steam Navigation Company yesterday appointed Mr. Ford Geddes, 58, to succeed Sir Donald Anderson, who retires as chairman on September 2, the day before his 65th birthday.

Mr. Geddes, who was widely expected to become chairman, has



Mr. Ford Geddes

been a deputy chairman since June, 1968. He will take the helm of what is reputed to be the largest shipping organisation in the world.

P and O has an annual turnover in excess of £190m, and controls a fleet of about 250 ships, either in service or on order. The group also has extensive interests in road transport, air freight, insurance, engineering, freight forwarding and warehousing.

University man

Like Sir Donald, Mr. Geddes joined Anderson Green and Co., ship managers and brokers, from university, subsequently becoming secretary and a director.

Mr. Geddes is also a director of the Bank of South Wales (London Advisory Board), Associated Bulk Carriers and Overseas Container Holdings. He has been president of the Equitable Life Assurance Society, of which he has been a director since 1968, and chairman of Container Fleets.

Continued from Page 1

Belfast bomb outrage

tion and in Belfast during the day I talked with several people in the street. They were obviously deeply shocked by the bombing which followed the earlier explosions.

"They make a song and dance about Army brutality and then go and do this sort of thing to young office girls. It's time we really showed them," was a fairly typical comment. The security authorities fear that widespread "middle of the road" anger will be translated into active Protestant violence by the militant fringe.

Bombings and rumours of bombs are now a constant factor in Belfast. The main telephone exchange stopped work this afternoon while a search was made. Vehicles are examined and road-blocks dot the towns and countryside.

There are persistent rumours of large quantities of gelignite being in the hands of Catholics in Londonderry. If this cannot be transferred to the main bomb target of the Ulster capital, Londonderry itself could be hit by explosions in a few days.

There is no doubt that every explosion polarises opinion further in what is now very paralytic and angry province. In this atmosphere, there can be no question of political reconciliation.

Indeed, to-day, Opposition members of the Ulster Parliament finally rejected yesterday's call for discussions between the various sides of Ulster opinion to resolve the present political deadlock.

The Social Democrat and

700 sign price restraint pledge

BY HAROLD BOLTER, INDUSTRIAL CORRESPONDENT

MORE than 700 U.K. companies have now signed the Confederation of British Industry's undertaking on prices restraint, well over 150 of them drawn from among the 200 largest concerns in Britain.

This means that over 500 companies which were asked for a specific pledge in hold price increases to less than 5 per cent, over the next 12 months have volunteered to do so.

On the other hand, some replies from the 200 major groups which were asked for a written statement of intent have not yet been received by the CIR.

The Confederation is still convinced, however, that it will obtain overwhelming support by September 5, the date on which it will announce the result of its appeal.

Difficult

Some industries have indicated that they will find it difficult to generate, however, including two trade associations active in the house-building sector, the Timber Trade Federation and the Federation of Painting Contractors.

The Timber Trade Federation has told the CIR that it cannot advise its members to subscribe to an undertaking which would give a misleading impression by implying that they have the power substantially to influence the price of timber of all kinds to users.

The Federation has pointed out that this power lies in the hands of overseas exporters, over whom importers have little control.

In the case of chipboard, the use of which is increasing very rapidly, the trade's attempts to buy abroad at the cheapest prices have failed for the Government's anti-dumping policy, which is likely to result in an increase in prices," the Federation warned the CIR.

The president of the Federation of Painting Contractors, Mr. Ronald Cox, said yesterday that he did not feel that the Federation's members could comply with the CIR undertaking.

He issued a warning that all tenders for major painting on new building contracts of more than 12 months' duration might have to be resubmitted or renegotiated by the major con-

tractors who belong in the Federation because of an "unprecedented" inflationary situation.

"In the present trading climate, which looks as though it is going to go on for some time, anybody tying himself to a price for more than 12 months is taking an unwarranted risk," Mr. Cox said.

He pointed out that the painting contractors' industry was labour-intensive and faced with escalating labour costs. Secondly, as the last year-forer in carry out a job, the industry could lose money through delays caused by others.

Acceptance

"In addition, we are paid last, so others can use our money sometimes for lengths of time that can only be described as indecent," Mr. Cox added. Nevertheless, although many companies recognise that they may have difficulty in following the CIR line on restraint, it is understood that the number of top companies accepting the policy has moved well past the 150 mark.

With the end of industrial holidays in some industries, it has been possible for several of the U.K.'s bigger concerns to hold Board meetings to formalise acceptance of the CIR undertaking. Most of the others are expected to do so shortly.

GO-AHEAD FOR £1M. E. YORKSHIRE SPORTS COMPLEX

The Government has told Halesworth, East Yorkshire, Urban District Council that it can go ahead with its plans to build a £500,000 sports complex at Southella. A council official said this was the first stage, a second would be added later.

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Weather

U.K. 10-DAY

Scotland, N. Ireland: Mostly cloudy with rain, brighter with showers. E. and S. Wind. Sunny spells, becoming cloudier with rain. Temps. on seasonal normal.

London, S.E. (Vn. S. England, Anglia, Midlands): Sunny spells, becoming cloudier with rain. Wind S.W. moderate or fresh. Max. 2 (70F).

E. Cen. N., N.E. England, Bords: Bright spells, becoming more cloudy with rain. Wind S.W. moderate or fresh. Max. 2 (68F).

Channel Isles: Cloudy. Outbreaks of thunder rain, wind variable. Min. 20C (68F).

S.W., N.W. England, Wales: Bright spells, mostly cloud with rain or showers later. W. S.W. Wind, moderate or fresh. Min. 20C (68F).

Lake District, Isle of Man, Sea: Mostly cloudy with rain, brighter with showers. Wind S.W. fresh or strong. Max. 18C (64F).

BUSINESS CENTRES

Amsterdam	8-12	21	72	Malacca	8-12	21
Batavia	8-12	20	66	Manila	8-12	21
Bombay	8-12	21	66	Medan	8-12	21
Buenos Aires	8-12	21	66	Montevideo	8-12	21
Calcutta	8-12	20	66	Orizaba	8-12	21
Canton	8-12	21	66	Panama	8-12	21
Cebu	8-12	21	66	Perth	8-12	21
Hankow	8-12	21	66	Port of Spain	8-12	21
Hong Kong	8-12	21	66	San Francisco	8-12	21
Kobe	8-12	21	66	Shanghai	8-12	21
London	8-12	21	66	Singapore	8-12	21
Lyons	8-12	21	66	Sourabaya	8-12	21
Manila	8-12	21	66	Tientsin	8-12	21
Medan	8-12	21	66	Yokohama	8-12	21
Orizaba	8-12	21	66			
Panama	8-12	21	66			
Perth	8-12	21	66			
Port of Spain	8-12	21	66			
San Francisco	8-12	21	66			
Shanghai	8-12	21	66			
Singapore	8-12	21	66			
Sourabaya	8-12	21	66			
Tientsin	8-12	21	66			
Yokohama	8-12	21	66			